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**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA**

ANTHONY GILBERT SANTOS,
individually and on behalf of a class of
similarly situated individuals,

Plaintiff,

v.

CARMAX, INC., a Virginia
corporation; CARMAX AUTO
SUPERSTORES CALIFORNIA,
LLC, a Virginia limited liability
company; CARMAX BUSINESS
SERVICES, LLC, a Virginia limited
liability company; CARMAX AUTO
SUPERSTORES WEST COAST,
INC., a Virginia corporation; and
DOES 1 to 50, inclusive,

Defendants.

Case No.: 3:17-cv-02447-SK

**SECOND AMENDED CLASS
ACTION COMPLAINT**

DEMAND FOR JURY TRIAL

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1 Plaintiff Anthony Gilbert Santos (“Santos”) brings this class action complaint
2 against Defendants CarMax, Inc., CarMax Auto Superstores California, LLC, CarMax
3 Business Services, LLC, CarMax Auto Superstores West Coast, Inc., and Does 1 to 50,
4 inclusive(collectively referred to as “CarMax” or “Defendants”), to recover damages
5 for himself and those similarly situated caused by Defendants’ failure to disclose the
6 status of any and all active safety recalls for vehicles Defendants sell to consumers
7 despite falsely advertising, promoting, and representing such vehicles to be safe and
8 thoroughly inspected. Santos brings this action to compel CarMax to stop its unlawful
9 practices and to obtain redress for all persons injured by CarMax’s conduct. On
10 information and belief, including investigation conducted by his attorneys, Santos
11 alleges as follows:

12 **JURISDICTION, VENUE, AND INTRADISTRICT ASSIGNMENT**

13 1. This Court has jurisdiction under 28 U.S.C. § 1332, as amended by the
14 Class Action Fairness Act of 2005.

15 2. This Court has personal jurisdiction over Defendants because Defendants,
16 and each of them, do business in this District, are registered to do business in
17 California (and nationwide), and a substantial number of the events giving rise to the
18 claims alleged herein took place in California.

19 3. Venue is proper in this district pursuant to 28 U.S.C. § 1391(b) because
20 Defendants do business in this District and a substantial number of the events giving
21 rise to the claims alleged herein took place in this District.

22 4. This case is properly brought in the Oakland Division of the Northern
23 District of California. Pursuant to Local Rule 3-2(c), cases are to be filed in the
24 Division “in which a substantial part of the events or omissions which give rise to the
25 claim occurred.” A substantial portion of the events giving rise to this action occurred
26

1 within Alameda County, which, pursuant to Local Rule 3-2(d), makes either the San
2 Francisco or Oakland Divisions the proper division for this action.

3 **BASIS OF FIRST AMENDED COMPLAINT**

4 5. This an action by Plaintiff Anthony Gilbert Santos against Defendants
5 CarMax, Inc., CarMax Auto Superstores California, LLC, CarMax Business Services,
6 LLC, CarMax Auto Superstores West Coast, Inc. to recover damages for himself and
7 those similarly situated caused by Defendants' failure to disclose the status of any and
8 all active safety recalls for vehicles Defendants sell to consumers despite falsely
9 advertising, representing, and promoting to consumers such vehicles to be safe and
10 thoroughly inspected.

11 **PARTIES**

12 6. Plaintiff Anthony Gilbert Santos is a citizen and resident of California
13 who resides in Alameda County.

14 7. Plaintiff is informed and believes and thereon alleges that Defendant
15 CarMax, Inc. is now, and at all times mentioned in this Complaint, was a corporation
16 organized pursuant to the laws of the State of Virginia with its principal place of
17 business in Richmond, Virginia. Plaintiff is further informed and believes that
18 Defendant CarMax, Inc. conducts business within the State of California, including
19 within this District.

20 8. Plaintiff is informed and believes and thereon alleges that Defendant
21 CarMax Auto Superstores California, LLC is now, and at all times mentioned in this
22 Complaint was a limited liability company organized pursuant to the laws of the State
23 of Virginia with its principal place of business in Richmond, Virginia. Plaintiff is
24 further informed and believes that Defendant CarMax Auto Superstore California,
25 LLC conducts business within the State of California, including within this District.

1 9. Plaintiff is informed and believes and thereon alleges that Defendant
2 CarMax Business Services, LLC is now, and at all times mentioned in this Complaint
3 was a limited liability company organized pursuant to the laws of the State of Virginia
4 with its principal place of business in Richmond, Virginia. Plaintiff is further informed
5 and believes that Defendant CarMax Business Services, LLC conducts business within
6 the State of California, including within this District.

7 10. Plaintiff is informed and believes and thereon alleges that Defendant
8 CarMax Auto Superstores West Coast, Inc. is now, and at all times mentioned in this
9 Complaint was a corporation organized pursuant to the laws of the State of Virginia
10 with its principal place of business in Richmond, Virginia. Plaintiff is further informed
11 and believes that Defendant CarMax Auto Superstores West Coast, Inc. conducts
12 business within the State of California, including within this District.

13 11. The names and capacities of Defendants Does 1-50 are unknown to
14 Plaintiff at the time of the filing of this complaint. Plaintiff will move to amend this
15 complaint to show the true names and capacities of Defendants sued as “Doe” once the
16 same are ascertained. Plaintiff is informed and believes and thereon alleges that each
17 of the Defendants including the defendants sued herein as “Doe” was, at all times
18 relevant, the agent, servant, partner or joint venture of each of the other defendants and
19 was acting within the course and scope of such agency and employment or in
20 furtherance of the business of such joint venture or partnership and with the permission
21 and consent, express or implied of each other Defendants.

22 12. At all times mentioned in this complaint, Defendants and Does 1-50 were
23 engaged in the business of marketing, distributing and selling used motor vehicles to
24 members of the general public such as Plaintiffs.

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COMMON ALLEGATIONS OF FACT

13. CarMax is a nationwide automotive retailer that sells used cars directly to consumers. As part of its business, CarMax informs consumers that it performs a detailed vehicle inspection prior to completion of the sale. CarMax refers to this process as its 125+ point “CarMax Certified Quality Inspection” (“CarMax 125+ Point Inspection”). CarMax advertises and promotes the CarMax 125+ Point Inspection to consumers in the form of printed handouts and checklists and other printed sales materials, promotional signage in the dealership showroom, and various television and radio media advertisements and campaigns to the general public. As part of CarMax 125+ Point Inspection, CarMax guarantees that it has checked, multiple vehicle systems whose proper operation are essential to the safe operation and performance of a motor vehicle subject to active safety recalls. Accordingly, CarMax represents that the used cars it sells to consumers have passed a rigorous inspection, thereby explicitly and implicitly warranting that they are free from defects, including defects concerning the vehicle’s systems subject to active safety recalls.

14. A more extensive description of the types of false and misleading sales and marketing practices of CarMax are detailed in a Complaint filed by the United States Federal Trade Commission (a true and correct copy of the FTC Complaint and Exhibits thereto is attached to the Complaint as **Exhibit “A”** and the factual allegations therein are incorporated by this reference as if fully set forth herein).

15. A Consent Order entered in the FTC action prohibits CarMax from making unqualified inspection or safety-related claims about their used vehicles if any are subject to open, or unrepaired, safety recalls. Plaintiff alleges that he has been damaged by CarMax as a result of the same deceptive acts and practices identical to those identified by the FTC. Plaintiff is informed and believes and thereon alleges that each CarMax dealership in the United States followed the common plan and scheme of

1 advertising and marketing practices detailed in the FTC Complaint and that the same
2 or substantially similar specific misrepresentations made to Plaintiff , as set forth more
3 particularly in paragraph 18, infra., this complaint were made to the members of the
4 California and Nationwide Classes herein.

5 16. Plaintiff Santos was directly injured by this practice. In 2006, Plaintiff
6 purchased a 2002 Ford F-150 pickup from a CarMax location in California bearing
7 VIN number 1FTRW07682KE25148 (referred to hereafter as “Plaintiff’s vehicle”).

8 17. In 2006 Plaintiff accompanied his cousin to the CarMax dealership in
9 Roseville, CA. Prior to arriving at the dealership Plaintiff had no intention of
10 purchasing a vehicle.

11 18. While at the dealership Plaintiff became interested in one of the vehicles
12 there on display for sale a 200 Ford F-150(“hereinafter sometimes “the F-150”), which
13 he ultimately purchased. A significant if not primary factor motivating Plaintiff’s
14 decision to purchase the F-150 from CarMax was the multiple representations made ,
15 verbally and in writing, to Plaintiff in conjunction with the sale as follows:

16 A. Two CarMax representatives, one a salesperson and the other a finance
17 representative told Plaintiff the F-150 had been thoroughly inspected and was
18 safe from defects;

19 B. The F-150 was posted prominently with a document entitled “**Buyers**
20 **Guide**” which stated that the vehicle was being sold with a **WARRANTY** as
21 distinguished from **NO WARRANTY-AS IS**;

22 C. Plaintiff was presented with a document entitled “The CarMax Limited
23 30-Day Warranty Brochure” which states, in its very first paragraph: “Our
24 Certified Quality Inspection assures your used vehicle will be in top condition
25 when you buy it.” ;
26

1 D. Plaintiff was presented with a document titled “CarMax Vehicle Repair
2 Order History detailing some 16.4 technician hours allegedly spent inspecting,
3 repairing and reconditioning the F-150;

4 E. Plaintiff was presented with a document styled in the manner of a
5 certificate or award, prominently entitled “**CQI CARMAX Certified Quality**
6 **Inspection**” which stated “**This is to certify that this vehicle has passed the**
7 **rigorous CarMax Certified Quality Inspection.**” This document incorporates
8 the so-called CarMax 125+ Point Inspection. (See paragraph 13, supra, this
9 Complaint)

10 18. Unbeknownst to Plaintiff, and undisclosed by CarMax, was the fact that,
11 at the time of Plaintiff’s purchase, Plaintiff’s vehicle was subject to an active safety
12 recall for its speed control deactivation switch (“SCDS”). On January 27, 2005—over
13 a year before Plaintiff purchased the vehicle from CarMax—a recall for the SCDS was
14 initiated under NHTSA recall number 05V017000.

15 19. The recall indicated that the SCDS could “overheat, smoke, or burn,” and
16 therefore presented the “safety risk” of a fire, even a fire starting “while the vehicles
17 were parked with the ignition ‘off.’” The safety recall notice therefore advised that
18 vehicle owners should visit the dealerships to have the switch deactivated, and, once
19 replacement parts were available, to have a new SCDS installed free of charge.

20 20. CarMax did not take any of those steps prior to selling the vehicle to
21 Plaintiff. Further, CarMax did not advise Plaintiff of the open safety recall or of any
22 steps he should take to mitigate the danger posed by the SCDS.

23 21. On April 29, 2014, Plaintiff’s vehicle caught fire while the engine was off
24 and parked in Plaintiff’s driveway as a result of the defective SCDS. Plaintiff’s
25 vehicle was completely destroyed as a result of the fire.

22. Plaintiff would not have purchased the vehicle in the condition in which CarMax sold it had he been informed of the need to repair the vehicle as advised by the active safety recall. Prior to the fire, Plaintiff was unaware that his vehicle was subject to an active safety recall, that CarMax had failed to disclose this fact to him at the time of his purchase, and that CarMax failed to take any steps to repair the vehicle as indicated by the safety recall despite CarMax's representations about its vehicle inspection program. Nothing during Plaintiff's ownership of the vehicle put Plaintiff on notice of the hidden and undisclosed defects in the speed control deactivation switch or other systems. In fact, the first time Plaintiff was made aware of the safety recall to the SCDS is when the vehicle manufacturer sent a recall notice to him after the fire incident.

CLASS ACTION ALLEGATIONS

23. As noted above, and pursuant to Federal Rule of Civil Procedure 23(b)(2) and (b)(3), Plaintiff brings this action on behalf of himself and the following proposed classes, defined as follows:

Nationwide Class

All persons in the United States and its territories who purchased a vehicle from CarMax that was the subject of a safety recall but had not been repaired prior to the sale.

California Class

All persons who, in the State of California, purchased a vehicle from CarMax that was the subject of a safety recall but had not been repaired prior to the sale.

24. Upon information and belief, there are hundreds, if not thousands, of members of each class. Joinder of all members is therefore impracticable.

1 25. Common questions of law and fact exist as to all class members such that
2 those questions predominate over questions affecting Plaintiff or individual class
3 members. These common questions include, but are not limited to, the following:

- 4 a. Did CarMax sell or lease vehicles to consumers that were subject to a
5 safety recall?
- 6 b. Did CarMax know that it had sold or leased and was selling or leasing
7 vehicles to consumers that were subject to a safety recall?
- 8 c. Did CarMax take any steps to ameliorate the problem that was the
9 subject of any safety recall prior to selling or leasing any vehicle to
10 consumers?
- 11 d. Did CarMax fail to inform consumers of pending safety recalls for
12 vehicles sold by CarMax?
- 13 e. Did CarMax fail to inform consumers of additional steps needed to
14 correct any issue for any vehicle was subject to a safety recall?
- 15 f. Did CarMax's representations about its vehicle inspection process
16 expressly or impliedly warrant that the vehicles were free from safety
17 defects like those identified in automotive recalls?
- 18 g. Did CarMax's conduct violate consumer protection statutes, false
19 advertising laws, sales contracts, warranty laws, or any other law
20 asserted herein?
- 21 h. Did consumers overpay CarMax for their vehicles that were subject to
22 a safety recall at the time they were purchased?
- 23 i. Are Plaintiff and class members entitled to equitable relief, including,
24 but not limited to, injunctive relief and restitution?
- 25 j. Are Plaintiff and class members entitled to damages or any other
26 monetary relief, and, if so, in what amount?

1 26. Plaintiff is informed and believes and thereon alleges that each member of
2 the California and Nationwide classes herein were subjected to the same general forms
3 of misrepresentation detailed in the FTC Complaint (See paragraph 14 and Exhibit A
4 of this complaint) and that the same or substantially similar specific misrepresentations
5 as were made to Plaintiff herein(See paragraph 18 of this complaint) were made to
6 each member of the California and Nationwide classes herein. Reliance on such
7 misrepresentations can be presumed because they go to the heart of the bargain. At a
8 minimum no reasonable consumer, all other things being equal , would pay the same
9 price for a vehicle with an unresolved safety defect as they would for the same vehicle
10 free of such defect.

11 27. As alleged herein, Defendants acted and failed to act on grounds generally
12 applicable to Plaintiff and other class members. Such conduct requires the Court's
13 imposition of uniform relief to ensure compatible standards of conduct toward class
14 members and to make injunctive or corresponding declaratory relief appropriate for all
15 class members.

16 28. The factual and legal bases of Defendants' liability to Plaintiff and each
17 class member are the same, resulting in injury to Plaintiff and each class member as a
18 result of Defendants' conduct described herein.

19 29. Defendants have acted or failed to act on grounds generally applicable to
20 Plaintiff and members of the proposed classes, thereby making final injunctive and
21 declaratory relief, as described below, appropriate.

22 30. Plaintiff will fairly and adequately represent and protect the interests of
23 other class members. Plaintiff has retained counsel with substantial experience in
24 litigating complex cases, including class actions. Both Plaintiff and his counsel will
25 vigorously prosecute this action on behalf of the class and have the financial ability to
26 do so. Neither Plaintiff nor counsel has any interest adverse to other class members.

1 31. Most class members would find the costs of litigating their claims
2 prohibitive and therefore would have no effective remedy without a class action.
3 Further, class treatment of common questions of law and fact is superior to multiple,
4 individual litigation or piecemeal adjudication because it preserves the resources of the
5 courts and litigants as well as promotes consistent and efficiency of adjudication.

6 32. At the time of sale or lease of each vehicle, Defendants knew, or should
7 have known, or was reckless in not knowing, about the misrepresentations and
8 omissions alleged herein. Under the circumstances, remedies available under any
9 informal settlement procedure would be inadequate and any requirement that Plaintiff
10 resort to informal dispute resolution and/or offer Defendants an opportunity to cure
11 their breaches of warranties is excused and thereby deemed satisfied.

12 33. Plaintiff and class members would suffer economic hardship if they
13 returned the affected vehicles but did not receive return of any payment(s) made.
14 Plaintiff and class members have not re-accepted their vehicles by retaining them.

15 34. The amount in controversy for Plaintiff's individual claims meets or
16 exceeds the sum of \$25. The amount in controversy or this action exceeds the sum of
17 \$50,000, exclusive of interest and costs, computed on the basis of all claims to be
18 determined in this lawsuit.

19 35. Plaintiff, individually and on behalf of the class, seeks all damages
20 permitted by law, including loss of use and diminution of value, in an amount to be
21 proven at trial. Plaintiff's damages are typical of all other class members in that all
22 class members suffered a diminution in value of the vehicle they purchased from
23 CarMax as a result of the undisclosed active safety recalls. Additionally, all class
24 members incurred a claim for loss of use as a result of being without the use of their
25 vehicle in order to remediate the active safety recalls that were present in the vehicles
26 that CarMax sold.

36. Plaintiff's claims are not time barred by the statute of limitation because the discovery rule delays accrual until the plaintiff has, or should have, inquiry notice of the cause of action. Plaintiff discovered the unresolved safety recall issue affecting the vehicle he purchased at CarMax only after his vehicle caught fire. Plaintiff did not, and could not, have known about the unresolved safety recall issue prior to the fire incident because the safety recall was not apparent to any reasonable person and would not have been discovered through reasonable means.

37. Furthermore, Plaintiff could not have discovered through reasonable diligence the fact that the vehicle was subject to an active safety recall when he purchased it in 2006. Plaintiff performed routine maintenance to the vehicle and yet none of the maintenance providers ever notified Plaintiff of any safety issues nor the fact that the vehicle was subject to an active safety recall. Plaintiff therefore could not have discovered the vehicle's unresolved safety recalls through reasonable diligence and thus this action is timely.

FIRST CAUSE OF ACTION

Violation of California's Unfair Competition Law (Bus.& Prof. § 17200)

38. Plaintiff hereby incorporates by reference the foregoing allegations as if fully set forth herein.

39. Plaintiff brings this count on behalf of the Nationwide and/or California class.

40. California's Unfair Competition Law, codified at Business and Professions Code section 17200 *et seq.*, prohibits acts of unfair competition, including "any unlawful, unfair or fraudulent business practice and unfair, deceptive, untrue or misleading advertising."

41. Defendants' conduct violates the UCL in at least the following ways:

- a. By concealing the existence of ongoing recalls from consumers, including Plaintiff and class members;
- b. By promoting CarMax's rigorous inspection, including representing that CarMax has checked the SCDS and other systems of the vehicle, notwithstanding the company's failure to disclose whether vehicles are subject to an ongoing recall;
- c. By failing to disclose material information in violation of Section 5(a) of the Federal Trade Commission Act, 15 U.S.C. section 45(a);
- d. By violating California's false advertising and other consumer protection statutes.

42. Defendants' misrepresentations and omissions caused Plaintiff and class members to purchase affected vehicles. Absent those misrepresentations and omissions, Plaintiff and class members would not have purchased the affected vehicles or would not have purchased the affected vehicles at the prices they paid, and/or would have purchased or leased less expensive, alternative vehicles that were not subject to safety recalls.

43. Accordingly, Plaintiff and class members suffered injury in fact, including lost money or property, as a result of Defendants' misrepresentations and omissions.

44. Plaintiff seeks to enjoin further unlawful and unfair acts by Defendants.

45. Plaintiff requests that this Court enjoin Defendants from continuing its unlawful and unfair business practices and to restore to Plaintiff and class members any money it acquired by unfair competition, including any restitution and/or disgorgement, as provided by the UCL.

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SECOND CAUSE OF ACTION

Violation of California's False Advertising Law (Bus.& Prof. § 17500)

46. Plaintiff hereby incorporates by reference the foregoing allegations as if fully set forth herein.

47. Plaintiff brings this count on behalf of the Nationwide and/or California class.

48. California's False Advertising Law, codified at Business and Professions Code § 17500 *et seq.*, prohibits advertising products using untrue or misleading statements that the speaker knows or should know are untrue or misleading.

49. Defendants caused to be made or disseminated through California and the United States, through advertising, marketing, and other publications, untrue or misleading statements that Defendants knew, or, by the exercise of reasonable care, should have known, were untrue or misleading to consumers, including Plaintiff and class members.

50. Defendants' representations concerning its rigorous inspection and failure to divulge information about active safety recalls for vehicles Defendants sold or leased without correcting the subject of the safety recall were material and likely to deceive a reasonable consumer.

51. Plaintiff and class members suffered injury in fact, including the loss of money or property, as a result of Defendants' unlawful, unfair, or deceptive practices. Absent Defendants' misrepresentations and omissions, Plaintiff and class members would not have purchased or leased the affected vehicles, would not have purchased or leased the affected vehicles at the prices they paid, and/or would have purchased or leased less expensive, alternative vehicles that were not subject to safety recalls.

52. Defendants have not remediated their wrongful conduct, which is part of a pattern or generalized course of conduct repeated and perpetuated in California and nationwide.

53. Plaintiff requests that this Court enjoin Defendants from continuing its unlawful and unfair business practices and to restore to Plaintiff and class members any money it acquired by unfair competition, including any restitution and/or disgorgement.

THIRD CAUSE OF ACTION

Violation of Consumer Legal Remedies Act (Cal. Civ. Code § 1750)

54. Plaintiff hereby incorporates by reference the foregoing allegations as if fully set forth herein.

55. Plaintiff brings this count on behalf of the Nationwide and/or California class.

56. California's Consumer Legal Remedies Act, codified at Civil Code § 1750 *et seq.*, prohibits unfair methods of competition and unfair or deceptive acts or practices undertaken by any person in a transaction intended to result or which results in the sale or lease of goods or services to any consumer.

57. The vehicles at issue are "goods" within the meaning of Civil Code § 1761(a).

58. Plaintiff and other class members are "consumers" within the meaning of Civil Code § 1761(d).

59. Plaintiff, class members, and Defendants are each "persons" within the meaning of Civil Code § 1761(c).

60. As alleged herein, Defendants made misrepresentations and omissions concerning their rigorous inspection of the vehicles they sold and the fact that vehicles

1 they sold or leased to consumers were subject to an active safety recall at the time of
2 the sale or lease.

3 61. Defendants' conduct, as described herein, was and is in violation of at
4 least the following enumerated prohibitions in Civil Code § 1770:

5 a. Civil Code §1770(a)(2): Misrepresenting the approval or certification of
6 goods;

7 b. Civil Code § 1770(a)(5): Representing that goods have sponsorship,
8 approval, characteristics, uses, benefits, or quantities that they do not
9 have;

10 c. Civil Code § 1770(a)(7): Representing that goods are of a particular
11 standard, quality, or grade, if they are another;

12 d. Civil Code § 1770(a)(9): Advertising goods with the intent not to sell
13 them as advertised;

14 e. Civil Code § 1770(a)(16): Representing that goods have been supplied in
15 accordance with a previous representation when they have not.

16 62. Plaintiff and class members suffered injury in fact and actual damages
17 resulting from Defendants' material misrepresentations and omissions because they
18 paid an inflated purchase or lease price for the vehicles and/or would not have
19 purchased or leased the vehicles had they known of Defendants' misrepresentations
20 and omissions.

21 63. Defendants knew, or should have known, or were reckless in not
22 knowing, that the vehicles they sold or leased were subject to active recalls at the time
23 they were sold or leased.

24 64. Defendants' misrepresentations and omissions caused Plaintiff and class
25 members to purchase or lease affected vehicles. Absent those misrepresentations and
26 omissions, Plaintiff and class members would not have purchased or leased the
27

1 affected vehicles, would not have purchased or leased the affected vehicles at the
2 prices they paid, and/or would have purchased or leased less expensive, alternative
3 vehicles that were not subject to safety recalls.

4 65. Pursuant to Civil Code § 1780(a), Plaintiff seeks injunctive relief.

5 66. Although Plaintiff does not seek to recover damages at this time, Plaintiff
6 will seek leave to amend this complaint.

7 **FOURTH CAUSE OF ACTION**

8 **Breach of Implied Warranty of Merchantability (Cal. Com. Code § 2314)**

9 67. Plaintiff hereby incorporates by reference the foregoing allegations as if
10 fully set forth herein.

11 68. Plaintiff brings this count on behalf of the Nationwide and/or California
12 class.

13 69. Defendants were and are at all relevant times merchants with respect to
14 motor vehicles pursuant to California Commercial Code § 2014.

15 70. California Commercial Code § 2314 provides that there is an implied
16 warranty that the vehicles Defendants sold and leased to Plaintiff and class members
17 were in a merchantable condition. However, the affected vehicles were not in a
18 merchantable condition when sold and leased, and at all times thereafter, and were not
19 fit for the ordinary purpose for which vehicles are used. Specifically, the vehicles
20 were the subject of safety recalls, but the existence of those recalls was not disclosed to
21 consumers nor were steps taken to correct the dangerous condition that was the subject
22 of the safety recall prior to the sale or lease.

23 71. Defendants knew or should have known that the vehicles they sold were
24 subject to active safety recalls.

SIXTH CAUSE OF ACTION

Common Law Misrepresentation

78. Plaintiff hereby incorporates by reference the foregoing allegations as if fully set forth herein.

79. Plaintiff brings this count on behalf of the Nationwide and/or California class.

80. Defendants' intentional and/or negligent misrepresentations and omissions caused Plaintiff and class members to purchase the affected vehicles.

81. Plaintiff and class members justifiably relied on the misrepresentations made by Defendants.

82. Had Defendants not made those representations and omissions, Plaintiff and class members would not have purchased the affected vehicles, would not have purchased the affected vehicles at the prices they paid, and/or would have purchased or leased less expensive, alternative vehicles that were not subject to safety recalls. Accordingly, Plaintiff and class members overpaid for their vehicles and did not receive the benefit of their bargain.

83. As a direct and proximate cause of Defendants' misrepresentations, Plaintiff and class members have been damaged in an amount to be proven at trial.

84. Defendants intentionally withheld information concerning active safety recalls for vehicles they sold or leased to consumers, took no steps to repair vehicles that were subject to safety recalls prior to selling or leasing them to consumers, and falsely advertised to consumers that the vehicles it sold or leased had passed rigorous inspections.

85. Defendants' conduct went on for years despite Defendants' knowledge of safety recalls and the consequences of their failure to disclose or take other appropriate action for such safety recalls despite the significant risk to safety for consumers.

86. Defendants' intentional deception and its safety-related impact warrant exemplary damages for the sake of example and to punish Defendants.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff, individually and on behalf of the class, prays for the following relief:

1. For an order certifying the class as defined above;
2. For an order temporarily and permanently enjoining Defendants from continuing their unlawful, fraudulent, and unfair business practices as alleged in this complaint
3. For injunctive and/or equitable relief in the form of buyback of the affected vehicles;
4. For any and all available damages available under applicable law, including compensatory, incidental, exemplary, and punitive damages;
5. For reasonable attorney's fees and expenses;
6. For taxable costs;
7. For pre and post-judgment interest as allowed by law; and
8. For any other relief the Court deems just.

JURY DEMAND

Plaintiff requests trial by jury of all claims that are so triable.

Dated: January 17, 2018

LAW OFFICES OF EDWARD W. HESS, JR.

By: /s/ Edward W. Hess, Jr.

Edward W. Hess, Esq.
Attorney for Plaintiff

CERTIFICATE OF SERVICE

The foregoing Plaintiff's Opposition to Defendant's Motion has been served via the Court's ECF system, which will send notification to counsel in this case.

Dated: January 17, 2018

Law Office of Edward W. Hess, Jr.

By: /s/ Edward W. Hess, Jr.
Edward W. Hess, Jr., Esq.

EXHIBIT

**UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION**

COMMISSIONERS: **Edith Ramirez, Chairwoman**
 Maureen K. Ohlhausen
 Terrell McSweeney

In the Matter of

CarMax, Inc., a corporation.

DOCKET NO.

COMPLAINT

The Federal Trade Commission, having reason to believe that CarMax, Inc., a corporation (“Respondent”), has violated provisions of the Federal Trade Commission Act (“FTC Act”), and it appearing to the Commission that this proceeding is in the public interest, alleges:

1. Respondent is a Virginia corporation with its principal office or place of business at 12800 Tuckahoe Creek Parkway, Richmond, VA 23238. Respondent has marketed, advertised, offered for sale, and sold used motor vehicles.
2. The acts or practices of Respondent alleged in this complaint have been in or affecting commerce, as “commerce” is defined in Section 4 of the FTC Act, 15 U.S.C. § 44.
3. Respondent has disseminated or has caused to be disseminated advertisements promoting the sale of used motor vehicles.
4. Respondent’s advertisements have included, but are not necessarily limited to, advertisements and marketing materials posted on the website www.carmax.com, excerpts of which are attached as Exhibits A through D. Until at least November 2014, on its website, including on pages prominently titled, “Why CARMAX?” and “CarMax Quality Certified,” it has made claims regarding the rigorous inspections CarMax completes on every used vehicle it sells. These marketing materials have included the following representations:

“125+ Point Inspection

Experienced technicians put every vehicle through a rigorous Certified Quality Inspection – over 125 points must check out before it meets our high standards.”

“No cars with flood or frame damage

Not every car that looks good is good. We’re confident in the safety and reliability of our vehicles because our technicians are trained to detect those with hidden damage.”

Every used car is renewed

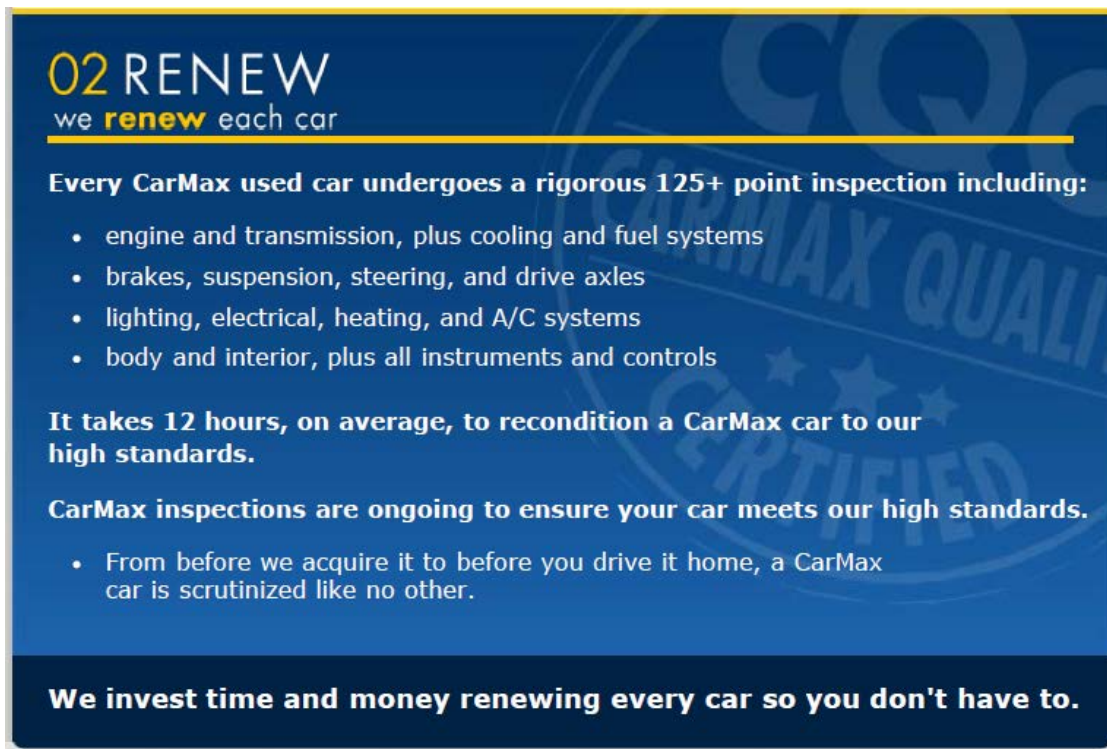
CarMax cars undergo (on average) 12 hours of renewing—sandwiched between two meticulous inspections—for a car that doesn’t look or feel used.”

Exhibit A at 1.

“Every car we sell is carefully inspected and reconditioned to the best condition possible – in fact, we spend over 12 hours, on average, on each used car.”

“We check more than 125 points” The website then lists several categories, including engine, steering system, and brake system.

Exhibit B at 1-3.

A graphic with a dark blue background and a yellow border at the top. The text is white and yellow. It features the CarMax logo in the background. The text reads: "02 RENEW we renew each car", "Every CarMax used car undergoes a rigorous 125+ point inspection including:", a bulleted list of inspection points, "It takes 12 hours, on average, to recondition a CarMax car to our high standards.", "CarMax inspections are ongoing to ensure your car meets our high standards.", another bulleted list, and "We invest time and money renewing every car so you don't have to."

02 RENEW
we **renew** each car

Every CarMax used car undergoes a rigorous 125+ point inspection including:

- engine and transmission, plus cooling and fuel systems
- brakes, suspension, steering, and drive axles
- lighting, electrical, heating, and A/C systems
- body and interior, plus all instruments and controls

It takes 12 hours, on average, to recondition a CarMax car to our high standards.

CarMax inspections are ongoing to ensure your car meets our high standards.

- From before we acquire it to before you drive it home, a CarMax car is scrutinized like no other.

We invest time and money renewing every car so you don't have to.

Exhibit C.

“Our top 10 most frequently asked questions...

1. Are all of your used cars inspected?

Yes. All of our used cars are CarMax Quality Certified, which means every vehicle on our lot must pass a 125+ point Certified Quality Inspection by one of

our technicians. This comprehensive and detailed inspection includes an investigation to ensure that the car does not have flood or frame damage.”

Exhibit D.

5. Respondent’s advertisements also have included a television commercial, which is attached as Exhibits E (video), F (transcript), and G (screenshot). The visual component of this commercial has depicted a vehicle undergoing an inspection and “reconditioning” by a team of CarMax employees – as many as six employees simultaneously. The commercial has further depicted the employees inspecting and fixing a wide variety of components of the vehicle, including underneath the front hood, underneath the body of the car, and within the interior of the car. As these images are displayed, an audio voiceover has made the following representations: “To the car that just survived hours of reconditioning, sorry, we know that was a bit invasive. But if we didn’t hoist you up in the air and poke around a little, we wouldn’t be CarMax. We expect a lot from our cars and we need to make sure that you’ll make the grade. ... Oh, just relax. It’s going to be a long time before anybody peeks at your undercarriage again.” For only approximately three seconds of the thirty second commercial, in tiny, blurry white font at the bottom of the screen, the commercial displays text stating that “Some CarMax vehicles are subject to open safety recalls. See carmax.com for details.” **Exhibits E, F, and G.**
6. Even though it has made the claims set forth in Paragraphs 4 and 5, Respondent has regularly advertised vehicles subject to open recalls for safety issues on its website.
7. In some instances, these open recalls for safety issues have included recalls for defects that can cause serious injury. For example, at least until November 2014, Respondent advertised used vehicles with open recalls for safety issues for a key ignition switch defect, which can affect engine power, power steering, braking, and airbag deployment, thereby increasing the risk of a crash and occupant injury. Respondent, at least until November 2014, also advertised used vehicles with open recalls for safety issues for defects with airbags, thereby increasing the risk of air bags rupturing and striking occupants with metal fragments upon deployment.
8. In numerous instances, when Respondent has advertised used vehicles subject to open recalls for safety issues, making the claims set forth in Paragraphs 4 and 5, it provided no accompanying clear and conspicuous disclosure of this fact.

VIOLATION OF THE FEDERAL TRADE COMMISSION ACT

Count I

9. In connection with the marketing, advertising, offering for sale, or sale of used motor vehicles, Respondent has represented, directly or indirectly, expressly or by implication, that used motor vehicles it sells have been subject to rigorous inspection, including for safety issues.

10. In numerous instances in connection with the representation set forth in Paragraph 9, Respondent has failed to disclose, or disclose adequately, that used vehicles it sells are subject to open recalls for safety issues.
11. Respondent's failure to disclose, or disclose adequately, the material information set forth in Paragraph 10 above, in light of the representation described in Paragraph 9, above, constitutes a deceptive act or practice in or affecting commerce in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

THEREFORE, the Federal Trade Commission, this ____ day of ____, 2016, has issued this complaint against respondent.

By the Commission.

Donald S. Clark
Secretary

SEAL:

Exhibit A



Why CarMax?

Quality, value, service, and a company you can trust

15 great reasons to start at CarMax

Low, no-haggle prices

Get a fair price up front without spending hours negotiating for it.

Flexible financing options

We work with a variety of financial institutions to provide the best possible financing. If approved, you see your offers when we do—just choose the one that's right for you. If you find a better option, you have three business days to refinance, penalty- and interest-free.



Thousands of cars priced under \$12,000

With over 35,000 cars in stock across the country, you're sure to find a car that fits your needs and budget. Most can be transferred to a store near you, often for free!

Our Sales Consultants are paid the same

Fixed commissions (except in CA) put their best interests in line with yours, so they can focus on helping to find the car that best fits your needs.

125+ point inspection

Experienced technicians put every vehicle through a rigorous Certified Quality Inspection—over 125 points must check out before it meets our high standards.

No cars with flood or frame damage

Not every car that looks good is good. We're confident in the safety and reliability of our vehicles because our technicians are trained to detect those with hidden damage.

Every used car is renewed

CarMax cars undergo (on average) 12 hours of renewing—sandwiched between two meticulous inspections—for a car that doesn't look or feel used.

Free Full Vehicle History Report

Every used car we sell comes with one, available online or from your Sales Consultant.

Clean Title Guarantee

We guarantee every car to have accurate mileage and not ever to have been designated salvaged or flood-damaged—or we'll buy it back.

5-Day Money-Back Guarantee

If you change your mind for any reason, you can return a car hassle-free within 5 days.

(See your Sales Consultant for written details.)

Limited 30-Day Warranty (60-Day in CT, 90-Day in MA and NY)

Repairs made under warranty cost you nothing—parts and labor are included.

(See your Sales Consultant for written details.)

MaxCare® extended service plans

Enjoy added security with purchase of an available MaxCare Extended Service Plan
—you can choose one that meets your driving needs, and include the cost in your financing!

Nearly every make and model all in one place

Don't drive all over town to find the vehicle you need. Almost all of our stores carry over 30 top brands—from Acura to Volvo.

We'll buy your car even if you don't buy ours®

We'll buy any car we appraise, regardless of make, mileage, or condition. And your offer will be the same, whether you buy from us or not. Bring in your car today!

[Learn more about appraisals](#)

Experience that's measured in millions

That's millions, as in over 4,000,000 cars sold and over 16,000,000 appraised. There's simply no substitute for what we've learned about cars and what you want when it comes to buying and selling cars. That's why we're America's #1 used car retailer.

[Learn more about CarMax](#)

[Find a Car](#)

[Sell Us Your Car](#)

[Financing](#)

[Financing at CarMax](#)

[CarMax Auto Finance](#)

[Make a Payment](#)

[Research](#)

[Find a Store](#)

[Customer Relations](#)

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[Why CarMax](#)

[Careers at CarMax](#)

Now Hiring!

[CarMax Foundation](#)

[Investor Relations](#)

[Pressroom](#)

[Sitemap](#)

Your Nearest Store: [King of Prussia](#)

Visit Us

185 S Gulph Rd
King of Prussia, PA
19406

Showroom Hours

Mon-Fri 10-9
Sat 9-9

Service Dept. Hours

Mon-Fri 7:30-6

Call Us

General

Local (610) 337-0716
Toll Free (855) 243-9949
Fax (610) 290-8192

Sales

Local (610) 290-8190
Toll Free (855) 243-7058
Fax (610) 290-8194

Telephone Hours

Mon-Sat 9-9

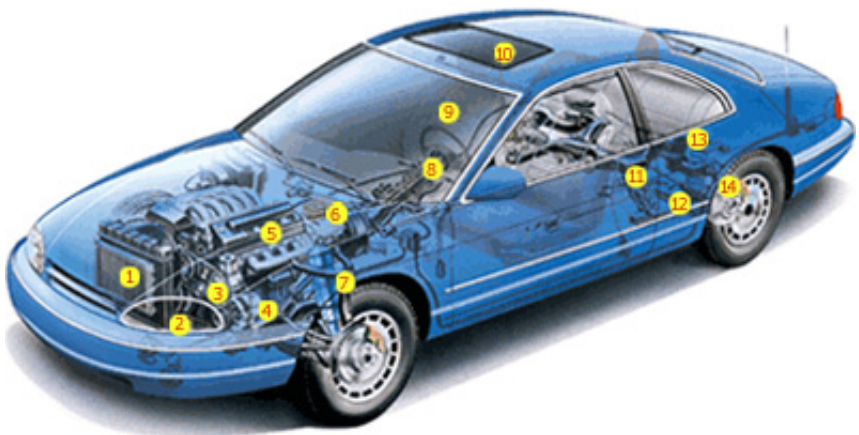
Exhibit B

CarMax Quality Certified

CarMax quality is knowing that you can depend on your car, day after day, year after year. Every car we sell is carefully inspected and reconditioned to the best condition possible—in fact, we spend over 12 hours, on average, on each used car. To give our customers even more confidence in our cars, we offer a 5-Day Money-Back Guarantee and a Limited 30-Day Warranty (60-Day in CT, 90-Day in MA and NY).* We believe in our cars, and we think you will, too.



*See store for written details



We check more than 125 points, including:

1. Cooling System

- Radiator
- Coolant
- Radiator/Heater Hoses
- Recovery System
- Cooling Fan
- Belts

[Top](#)

2. Lighting System

- Brake Lights
- Turn Signal Lights
- Dash Lights
- Instrument Lights
- Back-Up Lights

8. Steering System

- Tie Rods
- Idler Arms
- Center Links
- Pump
- Hoses
- Lines
- Shaft
- Couplings
- Alignment

[Top](#)

9. Body/Interior

- Carpet
- Upholstery

Hazard Lights	Trim
Side Marker Lights	Hood Latches
Hood Lights	Trunk Release
Trunk Lights	Fuel Door Release
Courtesy Lights	Paint
Reading Lights	Top

Glove Box Lights

Tag Lights

[Top](#)

3. Heating & A/C System

Compressor

Clutch

Condenser

Evaporator

Hoses

Lines

Refrigerant Level

Cooling Fan

[Top](#)

4. Electrical System

Alternator/Regulator

Starter

Battery

Gauges

Horn

Windshield Wiper

Windshield Washer

[Top](#)

5. Engine

Engine Performance

Emission Controls

Emission Filters

Vacuum Hoses

Oil Pressure

Motor Mounts

10. Accessories

Clock

Sunroof

Power Antenna

Rear Defroster

Rear Defogger

Radio

Tape/CD Player

Power Seats

Warning Chimes

Cigarette Lighter

Cruise Control

Trip Computer

Electronic Instrument Cluster

Tachometer

[Top](#)

11. Miscellaneous

Odometer

Tilt, Lock & Telescopic
Steering Wheel

Spare Tire

Jack

Door Locks

Trunk Locks

Remote Control

Locks

[Top](#)

12. Drive Axles

Constant Velocity Joints

Exhaust	Constant Velocity Boots
Spark Plugs	Universal Joints
Secondary Ignition System	Gears
Catalytic Converter	Bearings
	Vibration/Backlash

[Top](#)

6. Transmission

Fluid
Shift Points
Slipping
Transmission Mounts
Noise
Clutch Operation
4WD Operation

[Top](#)

13. Fuel System

Fuel Tank
Fuel Lines
Hoses
Fuel Pump

[Top](#)

14. Brake System

Leakage
Hoses
Lines
Modulator
Linkages

Anti-Lock System
Fluid Level
Master Cylinder
Booster
Front Right Shoes/Pads
Front Left Shoes/Pads
Rear Right Shoes/Pads
Rear Left Shoes/Pads
Parking Brake

[Top](#)

7. Suspension System

Frame Integrity
Ball Joints
Tires
Wheels
Springs
Torsion Bars
Sway Bar
Links
MacPherson Struts

[Top](#)[Top](#)[Privacy policy](#) | [Terms of Use](#)[\[-\] Website Feedback](#)

Exhibit C



CarMax Quality Certified

[Select](#)

Renew

[Protect](#)

02 RENEW

we **renew** each car

Every CarMax used car undergoes a rigorous 125+ point inspection including:

- engine and transmission, plus cooling and fuel systems
- brakes, suspension, steering, and drive axles
- lighting, electrical, heating, and A/C systems
- body and interior, plus all instruments and controls

It takes 12 hours, on average, to recondition a CarMax car to our high standards.

CarMax inspections are ongoing to ensure your car meets our high standards.

- From before we acquire it to before you drive it home, a CarMax car is scrutinized like no other.

We invest time and money renewing every car so you don't have to.

Exhibit D

CARmax

The way car buying should be.

[Find a Car](#)
[Sell Us Your Car](#)
[Research](#)
[Financing](#)
[Why CarMax](#)
[Find a Store](#)

[MyCarMax](#)
[Sign in](#) | [Register](#)

Your Nearest Store

King of Prussia

[Change](#) | [Contact Us](#) | [Map](#)
[Sell Us Your Car!](#)
[Schedule an appraisal](#)
[Website Feedback](#)

Company Information

[About CarMax](#)
[Careers](#)
[Diversity](#)
[CarMax Foundation](#)
[Investor Relations](#)
[Pressroom](#)

Our top 10 most frequently asked questions

1. [Are all of your used cars inspected?](#)
2. [What are my payment options?](#)
3. [How do I contact someone at CarMax?](#)
4. [Do you transfer used cars between stores? What about new cars?](#)
5. [Can I buy a car online?](#)
6. [Can I be notified when a car I'm interested in is added to your inventory?](#)
7. [Can I reserve a car online until I can come in to see it?](#)
8. [Do your used cars come with warranties?](#)
9. [Some of the cars in my results are marked with a "V" in a circle. What does this mean?](#)
10. [Do you offer financing?](#)

1. Are all of your used cars inspected?

Yes. All of our used cars are [CarMax Quality Certified](#), which means every vehicle on our lot must pass a 125+ point [Certified Quality Inspection](#) by one of our technicians. This comprehensive and detailed inspection includes an investigation to ensure that the car does not have flood or frame damage. In addition, we back every one of our cars with a [5-Day Money-Back Guarantee*](#) and a [Limited 30-Day Warranty \(60-Day in CT, 90-Day in MA and NY\)*](#).

* See store for written details

[Top](#)

2. What are my payment options?

Your payment options will vary depending on the company who finances your car. For information on your payment options, please speak with a representative of your finance company.

If you financed your car through CarMax Auto Finance, you have access to a variety of payment options. In all cases, you receive credit on the date we receive your payment (for late charge and finance charge purposes), although it may take 1-2 business days for your payment to post to your account.

1. Pay online

By registering with [MyCarMax](#), you can manage your CarMax Auto Finance payments with ease. You can make a single payment or set up recurring payments.

[Pay Now through MyCarMax](#)

2. Payments by phone

Call us at 800-925-3612 to make a one-time payment on our automated system. You will be provided a confirmation number with your payment.

[About CarMax](#)
[Our culture and values](#)
[Timeline](#)
[Awards](#)
[Top 10 FAQ](#)

More questions, more answers

Got a question that's not answered here? We have several other FAQs you can check.

[FAQ](#)

3. By postal mail

Send payments to:

CarMax Auto Finance
P.O. Box 3174
Milwaukee, WI 53201-3174

Payoffs should be mailed to:

CarMax Auto Finance
Attn: Payoff Department
P.O. Box 440609
Kennesaw, GA 30160

We recommend mailing your payment 7-10 days before your due date to ensure that we receive it on time.

4. Western Union/Moneygram®

Western Union

You may go to any Western Union location to have your payment sent to us. Call 1-800-238-5772 to find the nearest location. You will need to reference our city code, "CarMax," along with the state code of "Georgia." Please be sure to reference your account number to ensure proper posting. We typically receive and post these payments to your account within one full business day. Our business days are Monday-Friday. Western Union may charge a fee for this service.

MoneyGram ExpressPayments® Service

You may go to any MoneyGram retail agent location to have your payment sent to us. Call 1-800-MoneyGram to find the nearest location. At the agent location, please provide the clerk with the following; Receive Code "4645," company name "CarMax," city "Kennesaw," state "GA," and your account number to ensure proper posting. We typically receive and post these payments to your account within one full business day. Our business days are Monday-Friday. MoneyGram may charge a fee for this service.

For more information about CAF payment options, call us at 1-800-925-3612.

[△ Top](#)

3. How do I contact someone at CarMax?

To get an immediate answer to your question, start at your nearest [CarMax Superstore](#).

If the store is unable to resolve your concern, use the [Corporate Contact Form](#), or call us at (800) 519-1511, Mon-Fri, 8:30 am to 8:00 pm EST.

Send written customer comments to:

CarMax
Attn: Customer Relations
12800 Tuckahoe Creek Parkway
Richmond, VA 23238

CarMax Auto Finance

Submit questions about your existing account through the [CarMax Auto Finance Contact Form](#) (note: please do not submit potentially sensitive information, such as your account number or social security number, through the website).

You can also contact CAF by phone at (800) 925-3612, or write to:

CarMax Auto Finance
Attn: Customer Service Department
P.O. Box 440609
Kennesaw, GA 30160

For questions about financing a vehicle, please contact your nearest CarMax store.

Website questions

Submit all questions or concerns about carmax.com® through our [Web Feedback Form](#). Please note, we can only answer technical questions related to the CarMax website through the following link. For information on specific vehicles or CarMax policies, please contact your local CarMax store.

△ [Top](#)

4. Do you transfer used cars between stores? What about new cars?

Yes. We can transfer most used cars to the store nearest you from another store. In some cases, a transfer fee will apply. We are unable to transfer new vehicles, Toyota Certified Used vehicles in Laurel, Maryland or Kenosha, Wisconsin, and any used vehicle identified as nontransferable. Learn more about [transferring vehicles](#).

△ [Top](#)

5. Can I buy a car online?

Although you cannot complete a car-buying transaction online, you can begin the process. Each car page includes several links to help you get started, including "Request more information," "Schedule a test drive," and "Request financing information." Clicking these links allows you to submit a request to one of the dedicated Internet Sales Consultants at your nearest store. Of course, you are also welcome to call your nearest store; the phone number and address will be listed at the bottom of every page in our website.

△ [Top](#)

6. Can I be notified when a car I'm interested in is added to your inventory?

Yes. All you have to do is click the "Create alert" link at the top of the search results page. You'll then have the chance to specify exactly what type of car you're searching for and give us your email address so we can notify you when one becomes available.

△ [Top](#)

7. Can I reserve a car online until I can come in to see it?

Yes. You can hold most of our cars for a specific appointment time, online or by phone. Choose the "Hold This Car" option on the car's page, then choose the date and time you'd like to come in. Once your car is reserved, it will no longer be available for sale to anyone but you until after your appointment.

△ [Top](#)

8. Do your used cars come with warranties?

All of our used cars are [CarMax Quality Certified](#), which means every CarMax used car comes with a [Limited 30-Day Warranty \(60-Day in CT, 90-Day in MA and NY\)*](#). Please see your local CarMax store for written details. We also offer an optional MaxCare® extended service plan for all our used vehicles. Learn more about [MaxCare extended service plans](#).

* See store for written details

△ [Top](#)

9. Some of the cars in my results are marked with a "V" in a circle. What does this mean?

The "V" stands for ValuMax.® ValuMax vehicles are thoroughly inspected and reconditioned older vehicles, 6+ years old and/or 60,000+ miles. They all offer the CarMax [5-Day Money-Back Guarantee*](#) and [Limited 30-Day Warranty \(60-Day in CT, 90-Day in MA and NY\)*](#), and are chosen for their exceptional value.

* See store for written details

△ [Top](#)

10. Do you offer financing?

Yes. We offer fast, fair financing through several finance companies, including CarMax Auto Finance, a division of CarMax. Most of our customers' financing is approved in 20 minutes or less. And if you can find better financing elsewhere, you have three days to change it, penalty free.

CarMax also works with the finance companies of all new car brands we sell. You can find out if a manufacturer's finance company offers a special financing plan on a particular new vehicle on our [new car page](#).

[△ Top](#)

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[Sell Us Your Car](#)

[Financing](#)

[Financing at CarMax](#)

[CarMax Auto Finance](#)

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Your Nearest Store: [King of Prussia](#)

[Change](#) | [Map It](#) | [Store Locator](#) | [Schedule A Store Visit](#)

Visit Us

185 S Gulph Rd
King of Prussia, PA
19406

Showroom Hours

Mon-Fri 10-9
Sat 9-9

Service Dept. Hours

Mon-Fri 7:30-6

Call Us General

Local (610) 337-0716
Toll Free (855) 243-9949
Fax (610) 290-8192

Sales

Local (610) 290-8190
Toll Free (855) 243-7058
Fax (610) 290-8194

Telephone Hours

Mon-Sat 9-9

Exhibit E

[Video File]

Exhibit F

OFFICIAL TRANSCRIPT PROCEEDING

FEDERAL TRADE COMMISSION

MATTER NO. 1423202

TITLE CARMAX, INC.

DATE RECORDED: DECEMBER 22, 2015

TRANSCRIBED: JANUARY 6, 2016

PAGES 1 THROUGH 5

CARMAX TV ADVERTISEMENT

PEVM CARMAX AD 2015-12-22

FEDERAL TRADE COMMISSION

I N D E X

RECORDING:

PAGE:

CarMax TV Advertisement

4

FEDERAL TRADE COMMISSION

In the Matter of:)
CarMax, Inc.) Matter No. 1423202
)
-----)

December 22, 2015

The following transcript was produced from a
digital recording provided to For The Record, Inc. on
January 5, 2016.

P R O C E E D I N G S

- - - - -

CARMAX TV ADVERTISEMENT

ANNOUNCER: To the car that just survived hours of reconditioning, sorry, we know that was a bit invasive. But if we didn't hoist you up in the air and poke around a little, we wouldn't be CarMax. We expect a lot from our cars and we need to make sure that you'll make the grade. You have to admit you're looking awfully nice. Oh, just relax. It's going to be a long time before anybody peaks at your undercarriage again.

(End of advertisement.)

(The recording was concluded.)

C E R T I F I C A T I O N O F T Y P I S T

MATTER NUMBER: 1423202

CASE TITLE: CARMAX, INC.

TAPING DATE: DECEMBER 22, 2015

TRANSCRIPTION DATE: JANUARY 6, 2016

I HEREBY CERTIFY that the transcript contained
herein is a full and accurate transcript of the tapes
transcribed by me on the above cause before the FEDERAL
TRADE COMMISSION to the best of my knowledge and belief.

DATED: JANUARY 6, 2016

ELIZABETH M. FARRELL

C E R T I F I C A T I O N O F P R O O F R E A D E R

I HEREBY CERTIFY that I proofread the transcript for
accuracy in spelling, hyphenation, punctuation and
format.

SARA J. VANCE

Exhibit G

Video Image Screenshot With Text Disclaimer:

