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Proposed Interim Co-Lead Counsel for Plaintiffs and the Putative Class

UNITED STATES DISTRICT COURT DISTRICT OF NEW JERSEY

DENNIS JUNG individually and on behalf of all others similarly situated,

Plaintiffs,

v.

LG ELECTRONICS USA, INC.,

Defendant.

No. 2:17-cv-03664

AMENDED CLASS ACTION COMPLAINT

JURY TRIAL DEMANDED

1. Plaintiffs Dennis Jung, Donna Zelig, Denise Hernandez, Danil Grishchenko, Russell Hardison, Tom Hillegas, Robert Montanye, Jason Saber, Jim and Jeni Oney, Kelley Haggard, John and Michelle Kvatek, Michelle Osgueda-Williams and Donald Williams, Amanda

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and Jeff Kania, Timothy Giff, and Evgeny Dzhurinskiy ("Plaintiffs"), by and through their undersigned attorneys, bring this proposed class action based on personal knowledge as to themselves and their activities, and on information and belief as to all other matters, against defendant, LG Electronics USA, Inc. ("LG" or "Defendant"), and allege as follows.

NATURE OF THE ACTION

2. Plaintiffs bring this action on behalf of themselves and all other persons who have purchased an LG refrigerator with the Smart Cooling® technology and/or a Slim SpacePlus® Ice System (the "Refrigerators").¹

3. The Refrigerators were manufactured, distributed and/or sold by Defendant with one of two interrelated design defects (the "Defects"). The Defects cause problems with the Refrigerators' cooling systems, compressors, fans and ice makers. As discussed below, a problem with one of these components frequently presages a problem with another.

4. The Defects fall into two categories. First, the Defects manifest in Refrigerators with the Smart Cooling® Plus or Smart Cooling® technology whereby the Refrigerators fail to keep food at appropriate temperatures in the main refrigerator (fresh food) compartments and/or the freezer compartments. This failure results in the spoliation of food, beverages, and other products in the Refrigerators (the "Cooling Defect").

¹ As used herein, the term "Refrigerators" includes, but is not limited to, at least the following LG model refrigerators: LFXS30766S, LFXC24726S, LFXS29626, LFSX29766S, LFXS30726S, LDCS24223S, LFC21776ST, LFC25765ST, LFX28968ST, LFX28978SW, LFXS32726S, LMX25964ST, LMXC23746S, LMXC23746D, LSXS26326S, LMXS30776S, LFX28978ST, LMX25964SS, LFX25974ST, LFXS29766, LMXS27626S, LFC25776ST, LSXS26326S, LFX2897SB, LFX32945ST, LFXS24623S, LFXS32766S, LMX30778S/01, and LFX21976ST. Plaintiffs reserve the right to add to or amend the definition of Refrigerators as more information becomes available.

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5. The Cooling Defect often occurs when the Refrigerators' fans stop working, typically in conjunction with a build-up of ice. The ice build-up causes fan motors to stop spinning the fans, resulting in a loss of cold air circulating throughout the Refrigerator.

6. The Cooling Defect also manifests itself when the Refrigerators' compressors fail. The compressor failures cause the Refrigerators to cease cooling without warning. The compressor failures often result in, among other things, a failure of the Refrigerators' fans. The compressor failure results in a loss of Refrigerator function until the compressor is able to be replaced. The Cooling Defect has become so prevalent that replacement compressors are often on back order for several weeks or longer.

7. On information and belief, the Cooling Defect occurs in all models of Refrigerators manufactured by Defendant with LG Smart Cooling® Plus or Smart Cooling® systems.

8. Second, the Defects manifest in Refrigerators with the Slim SpacePlus® Ice System whereby the ice makers in the Refrigerators fail to produce or dispense ice (the "Ice Maker Defect," and, collectively with the Cooling Defect, the "Defects"). The Ice Maker Defect commonly manifests when ice clogs the ice maker/dispenser that is built into the doors of each Refrigerator. The clog is often as a result of ice melting and refreezing into a large block, causing the ice maker to cease dispensing ice. Other times, the ice makers simply cease to make ice.

9. Many consumers have experienced repeated occurrences of problems relating to the Defects, even after repair. No Class member can rely on a "repair" actually having remedied the problem with his or her Refrigerator for a reasonable period going forward.

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10. According to the National Association of Home Builders/Bank of America Home Equity Study of Life Expectancy of Home Components, reproduced in relevant part on the website of the magazine, Consumer Reports, the expected life of a refrigerator is 13 years.² While a product might need repair at some point during its expected life, it is unfair and unconscionable for a manufacturer to sell a product that it knows suffers from multiple defects that make it likely to malfunction early in the expected life period. The Refrigerators that Defendant sold to members of the Class are prone to premature failure because of the Defects, with the first failure often occurring within less than two years of purchase.

11. During the relevant time period, Defendant has been well aware of the Defects. For more than six years, Defendant has received numerous complaints from customers experiencing each of the Defects, both in the Refrigerators, and, earlier, in previous models that, on information and belief, were identical in relevant part to the Refrigerators. In addition, those complaints necessitated LG's communications with repair technicians and service representatives about the Defects, further evidencing LG's awareness of the problems.

12. Despite its knowledge, Defendant omitted reference of the Defects in its sales materials and specification sheets for the Refrigerators. It concealed material facts about the Defects from the consuming public at all relevant times.

13. In addition, Defendant overtly misrepresented the quality of the Refrigerators. First, despite its knowledge of the Cooling Defect, Defendant uniformly marketed the Refrigerators as better than competitors' models at keeping food at appropriate temperatures. Defendant promoted the Refrigerators by stating that they would "maintain superior conditions"

²http://www.consumerreports.org/cro/news/2009/03/by-the-numbers-how-long-will-your-appliances-last-it-depends/index.htm. (All webpages cited herein, unless otherwise indicated, viewed May 17-18, 2017.)

and "keep food fresher longer," due in part to their "dual evaporator" systems which, according to Defendant's marketing, would "quickly react to help maintain optimal conditions and keep food at its peak."³ This representation was false because the Refrigerators' fans were prone to failures, thus preventing the Refrigerators from "maintaining superior conditions" or "keeping food fresher longer," much less "quickly react[ing] to maintain optimal conditions and keep[ing] food at its peak."⁴ The representations were also false because the Refrigerators' compressors were prone to failure, causing the same result.

14. Second, despite Defendant's knowledge of the Ice Maker Defect, Defendant represented that the Refrigerators come with: "Ice Dispensers" or "Ice and Water Dispensers" and that they would make specified amounts of ice daily. For example, for the model purchased by Plaintiff Jung: "Daily Ice Production: 4.5 lbs; Ice Storage Capacity: 3 lbs + 2.5 lbs." Other models have listed daily ice production and storage capacities ranging from approximately 2.4 lbs. of production to 6.8 lbs. of production." These representations were false because the ice makers were manufactured with the Ice Maker Defect that made them prone to clogging or melting. It is misleading to represent that a refrigerator has an "Ice & Water Dispenser" without also disclosing that the dispenser is likely to become clogged after which it will only dispense ice if one routinely defrosts its contents or breaks the ice apart with a sharp implement and manually removes the clumps. Further, it is misleading to state that a certain amount of ice is produced daily because once the ice clumps due to a Defect, the ice maker stops producing ice until after the defrosting or manual removal process.

³ See, e.g., http://www.lg.com/us/refrigerators/lg-LFXC24726S-french-3-door-refrigerator (Features Tab). Substantially similar statements are present on LG's webpages for each of the Refrigerators, and LG provides this information to the vendors that sell its refrigerators and many of them replicate it in significant part on their websites.

⁴ *Id*.

15. Defendant has taken no meaningful steps to protect its customers from purchasing defective Refrigerators, to warn consumers about the Defects prior to sale, to change the design and/or manufacturing process to permanently remedy the Defects, or devise a permanent repair for the Defects.

16. Due to the undisclosed Defects, Plaintiffs and other Class members purchased Refrigerators that they would not otherwise have purchased, and/or paid more for those Refrigerators than they would otherwise have paid. Plaintiffs and Class members have also suffered economic injuries in the form of lost food and other items due to the Defects. Consequently, Plaintiffs and the Class have been significantly harmed by Defendant's wrongdoing.

17. Plaintiffs seek, on behalf of themselves and the proposed Class, actual damages, treble damages available under statute, restitution, disgorgement, injunctive remedy, attorneys' fees, costs, and any and all other available relief.

JURISDICTION AND VENUE

18. This Court has subject matter jurisdiction pursuant to 28 U.S.C. § 1332(d)(2) because the aggregate claims of Plaintiffs and the proposed Class members exceed \$5,000,000, exclusive of interest and costs, and there is diversity of citizenship between at least one member of the proposed Class and Defendant.

19. Additionally, pursuant to 28 U.S.C. § 1331, this Court has jurisdiction over Plaintiffs' claims for violations of the Magnuson-Moss Warranty Act (15 U.S.C. § 2301, *et seq.*). This Court has supplemental jurisdiction over Plaintiffs' state law claims pursuant to 28 U.S.C. § 1367(a).

20. This Court has personal jurisdiction over Defendant because Defendant's executive office is in New Jersey and Defendant has purposefully availed itself of the privilege of conducting business in the State of New Jersey.

21. Venue is proper in this Court pursuant to 28 U.S.C. § 1391 because many of the acts and transactions giving rise to this action occurred in this district and because Defendant:

a. has intentionally availed itself of the laws and markets within this district through the promotion, marketing, distribution and sale of its products in this district;

b. does substantial business in this district; and

c. is subject to personal jurisdiction in this district.

PARTIES

Plaintiff Jung

22. Plaintiff Jung is an individual residing in Ridgewood, New Jersey and thus is a citizen of New Jersey. During the relevant period, Plaintiff Jung purchased one of Defendant's defective Refrigerators, and as a result suffered injury in fact and lost money.

23. On or about August 10, 2015, Plaintiff Jung purchased an LG French Door, three door Refrigerator, Model No. LFXC24726S, from Best Buy for \$2,599.99. He was looking for a Refrigerator that would reliably keep his family's food fresh and cool. He also thought the slim ice dispenser in the door would be useful and would reliably produce and dispense ice. He expected his Refrigerator to perform these essential functions.

24. Plaintiff Jung chose his Refrigerator after reviewing the information about the Refrigerator's features that Defendant had posted on its website, including the Refrigerator's purported ability to "maintain superior conditions" and "keep food fresher longer," and the specifications for the ice maker. He had also read about Defendant's "Peace of Mind" guaranty

offered for the Refrigerator's linear compressor because, as Defendant stated, "[w]hen you buy a Refrigerator, you don't want to worry that it won't last."⁵ In addition, before his purchase Plaintiff Jung reviewed the descriptions about the Refrigerator's features, which included the above statements and specifications about the ice maker, on the website of Costco, a vendor of the Refrigerators, and viewed the Refrigerator's specification sheet on the website of Best Buy, the store where he ultimately made his purchase. The information on vendors' websites replicates significant information from Defendant's own website, and, on information and belief, is provided by Defendant. Plaintiff Jung relied on the foregoing information in making his purchase.

25. Approximately 18 months after Plaintiff Jung purchased his Refrigerator, due to the Cooling Defect, his Refrigerator fan stopped working and the Refrigerator stopped keeping his fresh food cool. As detailed further herein, Plaintiff Jung contacted LG, and eventually a repair technician determined that his fans had become jammed with ice and thus unable to turn. Plaintiff Jung has lost approximately \$750 in food spoilage due to the Cooling Defect. In addition, he and his wife devoted approximately six days of lost work time waiting for a service technician to address and fix the Cooling Defect. As a consequence of the Cooling Defect, the Refrigerator that Plaintiff Jung received is worth substantially less than what he bargained and paid for. If he had known of the Cooling Defect, he would not have purchased his Refrigerator or would have paid less for it.

26. In addition, on multiple occasions beginning in April 2016, approximately nine months after purchase of the Refrigerator, Plaintiff Jung has experienced the Ice Maker Defect. The ice maker in his Refrigerator has frozen over and, once iced over, it does not distribute ice

⁵ http://www.lg.com/us/refrigerators/lg-LFXC24726S-french-3-door-refrigerator (Features Tab.)

cubes or ice chips until the unit is defrosted and/or the ice is manually broken up and removed. Plaintiff Jung would not have purchased the Refrigerator, or would not have paid as much for it as he did, if he had been warned that the ice maker would frequently be unusable. As a consequence of the Ice Maker Defect, the Refrigerator is worth considerably less than what he paid for it.

27. Plaintiff Jung has experienced ascertainable and substantive losses as a result of the Defects. Neither he nor other members of the proposed Class would have suffered such loss but for Defendant's wrongdoing. The Defects have rendered the Refrigerator unable to perform its essential function of reliably keeping food and other items cool and reliably producing and dispensing ice.

<u>Plaintiff Robert Montanye</u>

28. Plaintiff Robert Montanye resides in Brick, New Jersey and, as such is a citizen of New Jersey. In 2015, he purchased an LG Refrigerator (Model No. LMXS30776S) from Sears in Brick Township, New Jersey.

29. In or about spring 2017, Plaintiff Montanye noticed that the ice in his freezer was no longer freezing and was melting. Furthermore, all of the contents in his Refrigerator were warm. This was because the compressor in his Refrigerator had failed – a manifestation of the Cooling Defect – causing the cooling mechanisms in his Refrigerator to not function properly.

30. Plaintiff Montanye contacted LG customer service for assistance with this issue, but LG informed him that his Refrigerator was no longer covered under the 12-month limited warranty. Plaintiff was told that he would be responsible for any repair or labor costs.

31. Plaintiff was told that if it was the compressor that went bad, LG would pay for the compressor part but nothing else.

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32. Because Plaintiff Montanye was out of warranty, he contacted a local repair shop.He was told that all of the repairs would be approximately \$900.

33. The Defect has rendered Plaintiff Montanye's Refrigerator unable to keep food cool or produce and dispense ice, and thus, unusable. Without a functioning refrigerator, Plaintiff Montanye has been forced to use a backup refrigerator located in his RV, as well as another smaller refrigerator in his house. Furthermore, due to the Cooling Defect, approximately \$250-300 worth of food spoiled.

34. To date, Plaintiff Montanye has not been able to repair his Refrigerator due to the exorbitant cost.

35. Due to the Defects, Plaintiff Montanye's Refrigerator is prone to premature failure.

36. The Refrigerator that Plaintiff Montanye received is substantially less than what he bargained and paid for. Plaintiff Montanye would not have purchased his Refrigerator had he known of the Defects.

37. Plaintiff Montanye has suffered an ascertainable loss as a result of Defendant's unconscionable acts and its omissions and/or misrepresentations associated with the Defects.

<u>Plaintiffs Jim and Jeni Oney</u>

38. Plaintiffs Jim and Jeni Oney reside in Frisco, Texas and thus are citizens of Texas. On or about September 2015, Plaintiffs purchased an LG Refrigerator (Model No. LMXS30776S/01) from Nebraska Furniture Mart in The Colony, Texas. Plaintiffs paid \$4,140.49 for their Refrigerator. Plaintiffs expected the Refrigerator to perform its essential functions of reliably keeping food and other items cool and reliably producing and dispensing ice.

39. In August 2016, Plaintiffs noticed that the ice maker in the Refrigerator stopped working as a consequence of the Ice Maker Defect. They put in a service call with LG and, at the time, their Refrigerator was still under warranty.

40. By the time LG dispatched a service technician, the issues escalated and the Refrigerator had stopped working as a result of the Cooling Defect—unable to perform its essential functions.

41. After performing an inspection, the service technician said there was something "major" wrong with the Refrigerator, but the Oneys never heard from this particular technician again.

42. Due to this failure, Plaintiffs decided to purchase a separate freezer for \$548.50 and, more recently, another Refrigerator for \$588.88. In addition, roughly \$500 of food was lost in this particular instance.

43. They subsequently called LG, which dispatched another company called Premier.

44. After performing an inspection, Premier replaced the board in the Refrigerator, and the unit began working again. However, within a few more days, the Refrigerator failed again, and the Oneys once more lost all of their food (roughly \$500 more). Premier was dispatched a second time, and concluded that there was a compressor failure. By the time the part arrived and was installed, it was November 2016. Premier replaced Plaintiffs' compressor and the Refrigerator began working once more.

45. A few months later, on or about March 6, 2017, the Refrigerator failed yet again. At the time, it was Plaintiff Jeni Oney's birthday and the Oneys were hosting a party. They ended up having to go out for food because all of their food was lost (roughly \$800 more). Once again, the Oneys called LG to complain and LG acknowledged there is an issue with its

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Refrigerators. LG provided Plaintiffs with a one-time extended warranty and sent out a repair company called Callahan's Appliance.

46. During the service appointment, Callahan's acknowledged that "this is a known problem" with LG compressors, that LG knows it is a defect, and stated that LG should recall the Refrigerators. Callahan's said it costs more for them to replace the parts than LG will pay them, so Callahan's did not make any repair for Plaintiffs.

47. Plaintiffs contacted LG to complain, and LG sent out Premier again. Each time Plaintiffs experienced failure, it would take weeks between the time when they called LG and when a repair was actually completed. In this particular instance, it was another three weeks before repairs were made. At this point, it was the end of March 2017, and Premier concluded that the compressor was bad, but stated that LG will not allow compressor repairs or replacements without first attempting to make other obscure part replacements or fixes.

48. Ultimately, Premier replaced the compressor yet again in early July 2017. Once again, the repairs failed. Plaintiffs called LG to escalate the issue and indicated they wanted a new Refrigerator, but LG refused to do so until an LG service person (*i.e.* a customer service agent who has not looked at the refrigerator) says that it is unfixable. The actual service technicians who are dispatched all reach the same conclusion: they have told Plaintiffs that they are not sure that compressor repairs or repairs/replacements of other parts will fix the issue, but that they simply "do what LG tells us to do."

49. Currently, Plaintiffs are awaiting service for compressor number four. They have not had a functional Refrigerator since March of 2017, and they have been experiencing frequent disruption of and loss of use since August of 2016. The Defect has rendered the Refrigerator

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unable to perform its essential function of reliably keeping food and other items cold and reliably producing and dispensing ice.

50. Due to repeated Refrigerator failures, Plaintiffs have lost, *inter alia*, roughly \$1,800 in spoiled food, months of lost use, have spent 15-20 hours on the phone with LG and service repair technicians, have spent multiple hours dealing with service appointments which required taking off from work and loss of pay, and Plaintiffs were eventually forced to purchase an expensive separate freezer and refrigerator.

51. Due to the Defects, the Oney Plaintiffs' Refrigerator is prone to premature failure.

52. The Refrigerator that the Oney Plaintiffs received is substantially less than what they bargained and paid for. If the Oney Plaintiffs would have known of the Defect, then they would not have purchased their Refrigerator.

53. The Oney Plaintiffs have suffered an ascertainable loss as a result of Defendant's unconscionable acts and its omissions and/or misrepresentations associated with the Defects.

<u>Plaintiff Donna Zelig</u>

54. Plaintiff Zelig is an individual residing in Seminole, Florida and thus is a citizen of Florida. During the relevant period, Plaintiff Zelig purchased one of Defendant's defective Refrigerators, and as a result suffered injury in fact and lost money.

55. On or about April 8, 2016, Plaintiff Zelig purchased an LG French Door, three door Refrigerator, Model No. LFXS24623S, from Lowe's for \$1,998.90. She was looking for a Refrigerator that would reliably keep her family's food fresh and cool. She also specifically wanted a refrigerator with a through-door ice dispenser in the door that would reliably produce and dispense ice. She expected the Refrigerator to perform these essential functions.

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56. Ms. Zelig chose her Refrigerator after reviewing the information about the Refrigerator's features that Defendant had posted on its website, including the Refrigerator's purported ability to "maintain superior conditions" and "keep food fresher longer." She had also read about Defendant's "Peace of Mind" guaranty offered for the Refrigerator's linear compressor because, as Defendant stated, "[w]hen you buy a refrigerator, you don't want to worry that it won't last." Prior to purchase, she also reviewed information about the Refrigerator provided by Lowes, LG, Home Depot, and HH Gregg. She relied on this information when making her purchase.

57. Beginning on October 10, 2016, no more than six months after purchase, the ice maker in Plaintiff Zelig's Refrigerator has frozen over as a consequence of the Ice Maker Defect. Ice freezes around the rubber gasket and the ice maker stops dispensing ice. Plaintiff first notified LG of the problem in approximately Oct. 10, 2016, when she called LG customer service and spoke with a representative named Sam. Thus far, LG has replaced the ice maker four times, most recently in August 2017, but given her past experience, Plaintiff Zelig has no reason to believe that the fix will last. It is still defective. The recurring failures have rendered Plaintiff Zelig's Refrigerator unable to perform its essential functions of reliably making and dispensing ice . Plaintiff Zelig would not have purchased the Refrigerator, or would not have paid as much for it as she did, if she had been warned that the ice maker would frequently be unusable.

58. Plaintiff Zelig's LG Refrigerator also has a Smart Cooling® Plus system and, as such, is prone to premature failure as a consequence of the Cooling Defect.

59. Due to the Defects, the Refrigerator that Plaintiff Zelig received is substantially less than what she bargained and paid for. If she had known of the Defects, she would not have purchased her Refrigerator or would have paid less for it.

60. Plaintiff Zelig has experienced ascertainable and substantive losses as a result of the Defects. Neither she nor other members of the proposed Class would have suffered such loss but for Defendant's wrongdoing.

Plaintiffs John and Michelle Kvatek

61. Plaintiffs Michelle and John Kvatek (the "Kvatek Plaintiffs") are adult individuals residing in Orlando, Florida, and thus are residents of Florida. In late April 2015, the Kvatek Plaintiffs purchased an LG Refrigerator (Model No. LFXS29766S) from a Home Depot store in Orlando. The Kvatek Plaintiffs were not aware of the Defects at the time when they purchased their Refrigerator. The Kvatek Plaintiffs expected the Refrigerator to perform its essential functions of reliably keeping food and other items cool and reliably producing and dispensing ice.

62. On July 30, 2017, Plaintiffs arrived home from vacation to find that the frozen food was thawing in the freezer section of their Refrigerator, and the ice in the secondary icemaker bucket had melting ice as well. Food in the Refrigerator was also not cooling to the set temperature of thirty-six degrees. This was critical because the Kvatek Plaintiffs store their son's insulin in the Refrigerator, which must be chilled to between thirty-six and forty-six degrees. Plaintiffs attempted to troubleshoot using LG's online manual before calling for repairs.

63. Plaintiffs' Refrigerator was evaluated and quickly diagnosed with the Cooling Defect. Plaintiffs were told that there was a coolant leak in the Refrigerator, and that parts—including a compressor—would need to be ordered.

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64. Plaintiffs have an extended warranty so they contacted the extended warranty company, and they were told to contact a repair service to schedule the work. In speaking with the repair service, Plaintiffs were informed that in the last thirty to forty days the repair shop had repeatedly been called to repair the same issue with LG's Refrigerators and that the necessary parts were on backorder without any certainty as to when they would become available. Plaintiffs never heard back from the repair shop.

65. Plaintiffs were forced to live out of coolers for several days until a mini fridge was made available to them. Plaintiffs were eventually provided with a mini-fridge, but it does not provide adequate storage space for their family of five. The mini-fridge cooling control is not adequate, and it is jeopardizing Plaintiffs' son's insulin.

66. LG eventually sent a representative to evaluate and fix Plaintiffs' Refrigerator. He confirmed it was a compressor failure due to the Cooling Defect, and ordered the parts; however, Plaintiffs had to wait weeks for the parts to arrive and for repairs.

67. Plaintiffs lost approximately \$700 in food, but the warranty company has indicated that it will only cover up to \$300 in spoiled food. Plaintiffs have also spent many hours trying to resolve the issues with their defective Refrigerator including calls with LG and repair shops and making trips to Home Depot.

68. On August 30, 2017, LG finally attempted a repair on the Kvatek Plaintiffs' Refrigerator—a month after the Refrigerator failed due to the Cooling Defect. The Plaintiffs' Refrigerator's compressor was replaced. As of now, it remains to be seen whether the Plaintiffs' Refrigerator will return to a functional status. In any event, LG left the Kvatek Plaintiffs without adequate refrigeration for a month, and Plaintiffs face a likelihood that the Defect will reoccur.

The defect has rendered the Kvatek's Refrigerator unable to perform its essential functions of reliably keeping food and other items cool and reliably producing and dispensing ice.

69. Due to the Defects, the Kvatek Plaintiffs' Refrigerator is prone to premature failure.

70. The Refrigerator that the Kvatek Plaintiffs received is substantially less than what they bargained and paid for. If the Kvatek Plaintiffs would have known of the Defect, then they would not have purchased their Refrigerator.

71. The Kvatek Plaintiffs have suffered an ascertainable loss as a result of Defendant's unconscionable acts and its omissions and/or misrepresentations associated with the Defects.

<u>Plaintiff Tom Hillegas</u>

72. Plaintiff Hillegas is an individual residing in Lewisville, Texas and thus is a citizen of Texas. During the relevant period, Plaintiff Hillegas purchased one of Defendant's defective Refrigerators, and as a result suffered injury in fact and lost money.

73. In approximately May 2015, Plaintiff Hillegas purchased an LG French Refrigerator, Model No. LFXC24726, from Appliances Connection for \$2,239. He was looking for a refrigerator that would reliably keep his family's food fresh and cool. He also wanted the icemaker in the door that would reliably produce and dispense ice. He expected the Refrigerator to perform these essential functions.

74. Approximately 15 months after Plaintiff Hillegas purchased his Refrigerator, it began making rattling noises and stopped cooling food as a consequence of the Cooling Defect. On September 3, 2016, Plaintiff Hillegas called LG for service. He was initially refused service under the warranty because he was three months past the warranty period. However, he

subsequently spoke to an LG supervisor who stated that the problem and error code on Plaintiff Hillegas' Refrigerator were a consequence of a known defect. LG agreed to provide additional warranty service. Plaintiff Hillegas was advised by an LG technician that the Cooling Defect was caused by the Refrigerator's compressor. The technician who ultimately came to Plaintiff Hillegas' home told him that he frequently had to repair compressors as a consequence of the Cooling Defect.

75. As detailed further herein, the repair was not effective. The Refrigerator failed three additional times in the 11 months between the initial repair and the filing of this Complaint.

76. Each time, the pattern of events Plaintiff Hillegas experienced was as follows: first, the fans would start to rattle. Next, there were visual signs of ice building up. Ice accumulated in the area behind the fresh bins and behind the shelves. Eventually, the ice would build up so much so that the bins will not close and would protrude above the door. Ice also built up inappropriately in the ice maker. Then, as the ice built up, it would start to freeze the fans. Finally, the entire Refrigerator would shut down.

77. Once the Refrigerator shuts down, as Plaintiff Hillegas has learned through frustrating experience, he and his family have to empty the Refrigerator of all of the food and frozen goods that it was purchased to keep cold, spend several hours defrosting the Refrigerator, and restart it. Then the unit may operate for another three or four months before failing again. The recurring failures render the Refrigerator unable to fulfill its essential purpose of reliably keeping food and other items cool and reliably producing and dispensing ice.

78. Plaintiff Hillegas has lost more than \$800 worth of food and had to pay more than \$290 out of pocket for repairs as a consequence of the Cooling Defect. As a consequence of the Cooling Defect and the Ice Maker Defect, the Refrigerator that Plaintiff Hillegas received is

worth substantially less than what he bargained and paid for. If he had known the truth about the Defects, he would not have purchased his Refrigerator or would have paid less for it.

79. Plaintiff Hillegas has experienced ascertainable and substantive losses as a result of the Defects. Neither he nor other members of the proposed Class would have suffered such loss but for Defendant's wrongdoing.

<u>Plaintiff Denise Hernandez</u>

80. Plaintiff Denise Hernandez is an individual residing in Salinas, California, and thus is a citizen of California. During the relevant period, Plaintiff Hernandez purchased one of Defendant's defective Refrigerators, and as a result suffered injury in fact and lost money.

81. On or about June 27, 2015, Plaintiff Hernandez purchased an LG French Door, three door Refrigerator, Model No. LFXS29766S, from a Home Depot in Salinas, California for approximately \$2,500.00. She was looking for a refrigerator that would reliably keep her family's food fresh and cool. She also thought the slim ice dispenser in the door would be useful and would reliably produce and dispense ice. She expected the Refrigerator to perform these essential functions.

82. Plaintiff Hernandez chose her Refrigerator after reviewing the information about the Refrigerator's features that Defendant had posted on its website, including the Refrigerator's purported ability to "maintain superior conditions" and "keep food fresher longer." She had also read about Defendant's "Peace of Mind" guaranty offered for the Refrigerator's linear compressor because, as Defendant stated, "[w]hen you buy a refrigerator, you don't want to worry that it won't last." She relied on this information when making her purchase.

83. Approximately 24 months after Plaintiff Hernandez purchased her Refrigerator, she began to experience problems with both the Refrigerator maintaining appropriate

temperatures in the freezer and refrigerator compartment and with the ice maker producing and dispensing ice. Plaintiff Hernandez has lost approximately \$400.00 in food spoilage due to the Cooling Defect. In addition, she and members of her household devoted approximately two days of lost work time waiting for a service technician to address and fix the Cooling Defect and the Ice Maker Defect.

84. As a consequence of the Defects, the Refrigerator that Plaintiff Hernandez received is worth substantially less than what she bargained and paid for. The Defects have rendered Plaintiff Hernandez's refrigerator unable to perform its essential functions of reliably producing and dispensing ice and reliably keeping food and other items cool. If she had known the truth about the Defects, she would not have purchased her Refrigerator or would have paid less for it. Likewise, Plaintiff Hernandez would not have purchased the Refrigerator, or would not have paid as much for it as she did, if she had been warned that the ice maker would frequently be unusable.

85. Plaintiff Hernandez has experienced ascertainable and substantive losses as a result of the Defects. Neither she nor other members of the proposed Class would have suffered such loss but for Defendant's wrongdoing.

<u>Plaintiff Evgeny Dzhurinskiy</u>

86. Plaintiff Evgeny Dzhurinskiy is an individual residing in Manhattan Beach, California, and thus a citizen of California. On May 30, 2016, Plaintiff Dzhurinskiy purchased an LG Refrigerator (Model No. LFXC24726S) through the Costco website for \$2,506.99. At the time Plaintiff purchased the Refrigerator, he had no knowledge of the Defects. On or about June 4, 2016, Costco delivered and installed the Refrigerator. Plaintiff Dzhurinskiy expected the Refrigerator to perform its essential function of reliably keeping food and other items cool.

87. On August 5, 2017, Plaintiff Dzhurinskiy noticed that water had leaked and pooled under his Refrigerator and that the food was spoiled and stunk as a result of not having been cooled. Plaintiff lost over \$400 in refrigerated goods due to the Cooling Defect.

88. Plaintiff immediately called Costco customer service, but Costco advised that the Refrigerator was still under the LG extended warranty. However, LG was not available to make a repair appointment until August 9, 2017.

89. With no way to refrigerate his perishables, Plaintiff Dzhurinskiy purchased a \$170 mini-fridge to hold over until LG would make the repairs.

90. On August 9, 2017, when the LG technician came to evaluate Plaintiff Dzhurinskiy's Refrigerator, the technician stated that the Refrigerator suffered a compressor failure and two other component part failures. The technician stated that he could not make repairs or replace them because the necessary parts are on indefinite backorder.

91. On that same day, August 9, 2017, Plaintiff Dzhurinskiy then contacted LG and requested a replacement refrigerator. LG's responses were contradictory. LG at first denied his request for a replacement refrigerator because the necessary parts would be available by August 11, 2017. While Plaintiff Dzhurinskiy was on the phone with one LG representative who stated that the necessary replacement parts would be available within a few days, he received a voicemail from another LG representative who stated that the parts are not and will not be available for an unknown time. On this day alone, Plaintiff Dzhurinskiy spent five hours on the phone with LG receiving contradictory answers.

92. The following day, August 10, 2017, Plaintiff again called LG. This time, LG stated that the replacement parts were unavailable and information—that its own representatives provided—to the contrary was false.

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93. On August 11, 2017, Plaintiff Dzhurinskiy received a call from LG informing him that they were starting a replacement procedure for his Refrigerator. But by August 14, LG's had again changed its position, and it rejected Plaintiff's request for a replacement refrigerator.

94. After continuing to receive the LG run-around for another fourteen days, on August 29, 2017, Plaintiff Dzhurinskiy finally received a repair for his Refrigerator. However, the technician told him to use the Refrigerator lightly for the next week and monitor it consistently. The technician and Plaintiff Dzhurinskiy are highly concerned that the defect will reoccur. The Defect has rendered Plaintiff Dzhurinskiy's Refrigerator unreliable and unable to perform its essential function of reliably keeping food and other items cool.

95. Due to the Defects, Plaintiff Dzhurinskiy's Refrigerator is prone to premature failure.

96. The Refrigerator that the Plaintiff Dzhurinskiy received is substantially less than what he bargained and paid for. If the Plaintiff Dzhurinskiy would have known of the Defect, then he would not have purchased his Refrigerator.

97. Plaintiff Dzhurinskiy has suffered an ascertainable loss as a result of Defendant's unconscionable acts and its omissions and/or misrepresentations associated with the Defects.

<u>Plaintiff Danil Grishchenko</u>

98. Plaintiff Danil Grishchenko is an individual residing in Staten Island, New York, and thus is a citizen of New York. During the relevant period, Plaintiff Grishchenko purchased one of Defendant's defective Refrigerators, and as a result suffered injury in fact and lost money.

99. On or about November 30, 2014, Plaintiff Grishchenko purchased an LG French Door Refrigerator, Model No. LMXS30776S, from a Home Depot in Staten Island, New York, for approximately \$2,698.00. He was looking for a refrigerator that would reliably keep his

family's food fresh and cool. He also thought the slim ice dispenser in the door would be useful and would reliably produce and dispense ice. He expected the Refrigerator to perform these essential functions..

100. Plaintiff Grishchenko chose his Refrigerator after reviewing the information about the Refrigerator's features that Defendant had posted on its website, including the Refrigerator's purported ability to "maintain superior conditions" and "keep food fresher longer." He had also read about Defendant's "Peace of Mind" guaranty offered for the Refrigerator's linear compressor because, as Defendant stated, "[w]hen you buy a refrigerator, you don't want to worry that it won't last." Prior to purchase, he also reviewed various YouTube advertisements describing the features of LG Refrigerators including an LG advertisement in which LG character "Dr. Wayne" discusses the compressor and 10 year warranty. Plaintiff Grishchenko relied on this information when making his purchase.

101. In May of 2016, approximately 18 months after Plaintiff Grishchenko purchased his Refrigerator, he began to experience problems with his Refrigerator. He contacted LG about the problem, and was told that the compressor was defective. It was replaced, but has failed again. He has been told that the entire sealed cooling system has failed. As a result, the Refrigerator does not work at all, including that it does not keep appropriate temperatures in the freezer and refrigerator compartment and the ice maker does not produce or dispense ice. Plaintiff Grishchenko has lost approximately \$300 in food spoilage due to the Cooling Defect. In addition, he and members of his household devoted approximately five days lost work time waiting for a service technician to address and fix the Refrigerator. He has been told to expect the next round of repairs to cost \$425. The Defects have rendered plaintiff Grishchenko's Refrigerator unable to perform its essential functions of reliably producing and dispensing ice and reliably keeping food and other items cool. As a consequence of the undisclosed problems with the Refrigerator, the Refrigerator that Plaintiff Grishchenko received is worth substantially less than what he bargained and paid for. If he had known that it contained design and/or manufacturing defects that would cause it to fail to function properly, he would not have purchased his Refrigerator or would have paid less for it.

102. Mr. Grishchenko's LG Refrigerator also has a Slim SpacePlus® ice maker and, as such, is prone to premature failure as a consequence of the Ice Maker Defect.

103. Due to the Defects, the Refrigerator that Plaintiff Grishchenko received is worth substantially less than what he bargained and paid for. If he had known of the Defects, he would not have purchased his Refrigerator or would have paid less for it.

104. Plaintiff Grishchenko has experienced ascertainable and substantive losses as a result of Defendant's wrongdoing. Neither he nor other members of the proposed Class would have suffered such loss but for the wrongdoing by Defendant.

<u>Plaintiff Jason Saber</u>

105. Plaintiff Jason Saber is an individual residing in Syosset, New York and thus is a citizen of New York. In or about August 2014, he purchased an LG Refrigerator (Model No. LFXC24726S) from Appliance World in Huntington, New York. The Refrigerator was delivered in November 2014. Plaintiff Saber paid approximately \$2,697 for his Refrigerator. Plaintiff Saber expected his Refrigerator to perform the essential functions of reliably keeping food and other items cool and reliably producing ice.

106. Within the first few months after purchasing his Refrigerator, the ice maker stopped working. Plaintiff Saber called LG to complain about this issue and LG dispatched a service technician to replace the board in the unit.

107. On or about December 16, 2016 – approximately two years after purchasing his Refrigerator – Plaintiff Saber noticed that water was leaking from his Refrigerator and onto the floor of his home. He discovered that the leak originated in the freezer, specifically in the ice maker, where the ice was starting to melt.

108. Plaintiff contacted LG about this issue and LG engaged in remote diagnostic using technology in the Refrigerator. LG avoided making a determination as to what the actual issue was, and told Plaintiff that he should make sure to keep the Refrigerator doors closed. After that, water kept dripping out of the ice maker, the Refrigerator began to get warm, and everything in the freezer had defrosted. This failure was a consequence of the Cooling Defect. All of Plaintiff's food was spoiled (roughly \$200 worth).

109. Plaintiff called LG service on or about December 17 to complain and they ran diagnostics again, but nothing came up and Plaintiff was told that everything seemed fine. Plaintiff requested that a service technician be dispatched for repair, which LG agreed to do. At this time, Plaintiff was out of warranty.

110. LG recommended Petro Home Services to Plaintiff. Following an inspection by Petro, the repair technician concluded that the issue was a defective compressor.

111. Plaintiff Saber sought warranty coverage for this Refrigerator failure but because the warranty period had expired, Plaintiff was forced to pay \$558.48 out-of-pocket for the repairs, which included labor costs.

112. The repair was also not promptly performed due to the fact that the replacement part (*i.e.* the compressor) had been on backorder.

113. Plaintiff put in a service request with Petro on December 19, and the replacement part was not received and installed until December 29. Plaintiff lost use of his Refrigerator for

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approximately ten days, including during the Christmas holiday during which time Plaintiff was supposed to host Christmas Eve dinner for 15 people. Due to the failed Refrigerator, which was unable to perform its essential function of keeping food and other items cold and unable to make ice, Plaintiff Saber had to cancel this holiday dinner.

114. Due to the Defects, Plaintiff Saber's Refrigerator is prone to premature failure.

115. The Refrigerator that Plaintiff Saber received is substantially less than what he bargained and paid for. If Plaintiff Saber would have known of the Defect, then Plaintiff would not have purchased his Refrigerator.

116. Plaintiff Saber has suffered an ascertainable loss as a result of Defendant's unconscionable acts and its omissions and/or misrepresentations associated with the Defects.

<u>Plaintiff Kelley Haggard</u>

117. Plaintiff Kelley Haggard is an individual residing in Salt Lake City, Utah and thus is a citizen of Utah. Plaintiff Haggard purchased an LG Refrigerator (Model No. LMXS30776S) on or about September 12, 2015. Plaintiff Haggard paid \$2,029.08 for her Refrigerator. Plaintiff purchased her Refrigerator from RC Willey. Plaintiff Haggard expected the Refrigerator to perform its essential function of reliably keeping food and other items cool.

118. In May 2017, when the first sign of failure appeared. At first, the Refrigerator stopped making ice. Plaintiff Haggard used a thermometer to determine that the temperature in the Refrigerator was only 42 degrees with the temperature set at 36 degrees Fahrenheit, and the freezer temperature was 21 degrees Fahrenheit although set to 0 degrees.

119. Plaintiff called LG to ask about the warranty and learned that the warranty was 12 months for labor, 10 years for the compressor, and 7 years for the evaporator and condenser. As he was out of warranty for labor and repair, LG referred Plaintiff to the out-of-warranty

department where he was offered a 12-month labor plan for \$454.57. Plaintiff purchased this plan and proceeded to get a service technician appointment scheduled.

120. LG dispatched Total Appliance out of Bountiful, Utah for a service appointment at Plaintiff's house. The technician diagnosed the problem to be a compressor failure and he scheduled another appointment for a refrigerant technician to come and verify the problem. Another technician came the following week and said that the compressor was bad and that he would have to order the parts necessary to repair the Refrigerator. A new compressor, control board, and dryer were eventually installed in the Refrigerator, approximately a few weeks later. The initial compressor that was ordered wound up being unusable from the outset, so a second compressor had to be ordered.

121. After the replacement compressor was finally installed, Plaintiff was told it would take 24 hours for the Refrigerator to cool down and operate properly.

122. Instead, it took approximately 72 hours before the Refrigerator began to get colder but it never reached its set cooling points. Plaintiff called Total Appliance again and was informed that Plaintiff needed to schedule another appointment through LG. Plaintiff again called the out-of-warranty department (through Assurant) at LG, and it issued a new service call for the technician to come and verify if the Refrigerator could be repaired. The warranty department explained that if the Refrigerator could not be repaired, they would refund part of the initial purchase and the contract would be finished.

123. When Plaintiff called the out-of-warranty department/service provider at Assurant, he was told to call LG and cancel his extended warranty package, which he did. LG told him that if he did so he would receive a refund for his Refrigerator. Inexplicably, after

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Plaintiff did this, he sought a refund, but was told that one would not be provided because he had cancelled his extended warranty service.

124. Plaintiff has gotten the run-around from LG and the out-of-warranty service provider, and has yet to obtain an adequate repair or a replacement. Plaintiff has been left with a Refrigerator that does not properly perform its essential function of reliably keeping food and other items cool, and which failed roughly 20 months after purchase. To date, LG has failed to provide an adequate remedy for the Cooling Defect.

125. As a result of the Cooling Defect, Plaintiff experienced multiple weeks of loss of use of his Refrigerator. He has also spent approximately 10-15 hours of time dealing with calls to LG, service technicians, and actually being present for service appointments.

126. Due to the Defects, Plaintiff Haggard's Refrigerator is prone to premature failure.

127. The Refrigerator that Plaintiff Haggard received is substantially less than what he bargained and paid for. If Plaintiff Haggard would have known of the Defect, then Plaintiff would not have purchased his Refrigerator.

128. Plaintiff Haggard has suffered an ascertainable loss as a result of Defendant's unconscionable acts and its omissions and/or misrepresentations associated with the Defects.

<u>Plaintiffs Michelle Osegueda-Wiliams and Donald Williams</u>

129. Plaintiffs Michelle Osegueda-Williams and Donald Williams (the "Williams Plaintiffs") are adult individuals residing in Huntingtown, Maryland and thus are citizens of Maryland. In late November 2014, the Williams Plaintiffs purchased an LG Refrigerator (Model No. LMXS30776S) from a Home Depot in Maryland. Plaintiffs paid \$2,870.47 for the Refrigerator. At the time the Williams Plaintiffs purchased their Refrigerator, they were not aware of the Defects.

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130. The Williams Plaintiffs also purchased the LG Premium Care Plan, which promised to assist Plaintiffs in expenses that the Plaintiffs may incur regarding their new Refrigerator. However, the Williams expected that the Refrigerator would perform its essential function of reliably keeping food and other items cool.

131. On or about July 25, 2017, the Williams Plaintiffs discovered that their Refrigerator was no longer cooling. On July 26, 2017, Plaintiffs contacted LG, and LG agreed to send out a technician from AIV Elite—48 hours later—on July 28, 2017.

132. The technician evaluated the Williams Plaintiffs' Refrigerator and told the Plaintiffs that the compressor failed due to the Cooling Defect. The technician did not fix that part because the necessary part was on backorder, and the technician could not fix it until the next appointment.

133. The part was on backorder for over three weeks. The Williams Plaintiffs require proper refrigeration to keep medication for Mr. Williams's and his son's diabetes safe. Additionally, the Plaintiffs' son requires refrigerated medicine to treat epilepsy. When the Williams Plaintiffs explained that their critical medicines require proper refrigeration, LG did not empathize with the Williams and did not offer any other solutions to assist the Williams. Instead, the Williams Plaintiffs were forced to cool their goods and their sensitive, critical medications with purchased bags of ice—hardly an efficient method of maintaining the required safe and regulated temperature.

134. During this period, the Williams Plaintiffs called LG over ten times and spent countless hours on phone calls with LG representatives stressing their life-dependent need for refrigeration. The Plaintiffs also contacted LG via social media to no avail.

135. Finally, on August 18, 2017, an LG technician spent three hours repairing the Williams Plaintiffs' Refrigerator. The technician told them to allow the Refrigerator 24 hours to reach its proper cool temperature; the Refrigerator, however, never got cold.

136. The Williams Plaintiffs then called LG yet again, but Plaintiffs were again left without refrigeration for ten days.

137. On August 28, 2017, LG again sent a service technician to repair the Refrigerator.However, the Williams Plaintiffs fear that the Refrigerator will fail once more.

138. Despite that LG did not charge Plaintiff for the multiple repairs pursuant to the extended warranty, the Williams Plaintiffs lost over \$300 in refrigerated goods. The Plaintiffs are concerned that the Refrigerator will fail again, that they will lose more refrigerated goods, and that they will, yet again, have no way to refrigerate their medicines. The Defect has rendered the Williams Plaintiffs' Refrigerator unable to perform its essential function of reliably keeping food and other items cool.

139. Due to the Defects, the Williams Plaintiffs' Refrigerator is prone to premature failure.

140. The Refrigerator that the Williams Plaintiffs received is substantially less than what they bargained and paid for. If the Williams Plaintiffs would have known of the Defect, then Plaintiffs would not have purchased their Refrigerator.

141. The Williams Plaintiffs have suffered an ascertainable loss as a result of Defendant's unconscionable acts and its omissions and/or misrepresentations associated with the Defects.

<u>Plaintiffs Amanda and Jeff Kania</u>

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142. Plaintiffs Amanda and Jeff Kania (the "Kania Plaintiffs") are adult individuals residing in Addison, Illinois and thus are citizens of Illinois. In mid-October 2015, the Kania Plaintiffs purchased an LG Refrigerator (Model No. LFXC24726S /02) from an H.H. Gregg in Bloomingdale, Illinois. The Kania Plaintiffs paid \$2,499.00 for their Refrigerator. When they purchased their Refrigerator, the Kania Plaintiffs were not aware of the Defects. The Kania Plaintiffs expected the Refrigerator to perform its essential function of reliably keeping food and other items cool.

143. In early August 2017, the Kania Plaintiffs realized that their Refrigerator's temperature was increasing and that the food in the freezer was thawing out. Plaintiffs immediately contacted LG, but the LG representative could not diagnose the issue. LG offered to send out a technician at cost to Plaintiffs, but the Kania Plaintiffs did not wish to pay LG to come out and diagnose the issue.

144. Instead, the Kania Plaintiffs contacted their local repair shop DuPage Appliance Repair. The technician came out and immediately diagnosed the Refrigerator with the Cooling Defect. The technician noted that the compressor was running, was very hot, but was not compressing coolant. The technician provided an estimate of \$1,134 to repair the Refrigerator. However, the technician advised against the repair because the Cooling Defect was likely to reoccur resulting in another failed compressor.

145. The Kania Plaintiffs expected that their LG Refrigerator would last beyond two years. The Refrigerator, as of August 31, 2017, has still not been repaired because Plaintiffs fear spending almost half the cost of a new refrigerator to repair their Refrigerator that is only likely to fail again requiring additional expense. It is unable to perform its essential purpose of reliably keeping food and other items cool.

146. Due to the Defects, the Kania Plaintiffs' Refrigerator is prone to premature failure.

147. The Refrigerator that the Kania Plaintiffs received is substantially less than what they bargained and paid for. If the Kania Plaintiffs would have known of the Defect, then Plaintiffs would not have purchased their Refrigerator.

148. The Kania Plaintiffs have suffered an ascertainable loss as a result of Defendant's unconscionable acts and its omissions and/or misrepresentations associated with the Defects.

<u>Plaintiff Timothy Giff</u>

149. Plaintiff Giff is an individual residing in Advance, North Carolina and thus is a citizen of North Carolina. In October 2014, Plaintiff Giff purchased an LG Refrigerator (Model No. LFXS30766S) for \$3,002.36 from an H.H. Gregg in Winston Salem, North Carolina. When he purchased the Refrigerator, Plaintiff Giff did not have knowledge of the Defects. Plaintiff Giff expected the Refrigerator to perform its essential purposes of reliably keeping food and other items in the Refrigerator cool.

150. Within six months of purchasing the Refrigerator, the Refrigerator's Ice Maker Defect manifested causing ice to collect on the inside of the freezer. Plaintiff Giff contacted LG about this Defect many times, but LG did not provide Plaintiff with an effective solution. Rather, LG maintained that it was not the Defect but suggested that the issue was caused by the Refrigerator's water filter.

151. On July 14, 2017, Plaintiff Giff's Refrigerator ceased functioning. The Refrigerator suddenly stopped cooling, and Plaintiff Giff lost hundreds of dollars in refrigerated food.

152. Plaintiff Giff immediately contacted LG for assistance. However, LG denied warranty coverage, and Plaintiff was forced to pay for LG to dispatch a technician.

153. The technician diagnosed the Refrigerator with a failed compressor—a manifestation of the Cooling Defect.

154. Plaintiff Giff was forced to pay LG \$380 for a new compressor. Because the compressor was backordered, the estimated delivery date of the compressor fluctuated. Plaintiff did not know when the part would arrive. The compressor finally arrived after three weeks.

155. During that time without a refrigerator, Plaintiff Giff was forced to spend money on meals out since he could not keep a sufficient quantity of groceries at home. Because of the rising meal expenditures and because he did not know whether LG would fix his Refrigerator, Plaintiff Giff purchased a new refrigerator to put in his garage to keep his perishable groceries.

156. Finally, after nearly a month, on August 10, 2017, the replacement compressor arrived. On the following day, August 11, 2017, the replacement compressor was installed.

157. The replacement compressor functioned for three days, and then it failed again. Plaintiff Giff, again, lost hundreds of dollars in refrigerated goods.

158. The technician returned on August 15, 2017, and again repaired Plaintiff Giff's Refrigerator.

159. Plaintiff Giff is concerned that the Refrigerator will fail again—as it has twice in the past—causing the loss of valuable refrigerated goods. The defect has rendered the Refrigerator unreliable and unable to perform its essential function of reliably keeping food and other items cool.

160. Due to the Defects, Plaintiff Giff's Refrigerator is prone to premature failure.

161. The Refrigerator that Plaintiff Giff received is substantially less than what he bargained and paid for. If Plaintiff Giff would have known of the Defect, then Plaintiff would not have purchased his Refrigerator.

162. Plaintiff Giff has suffered an ascertainable loss as a result of Defendant's unconscionable acts and its omissions and/or misrepresentations associated with the Defects.

Plaintiff Russell Hardison

163. Plaintiff Russell Hardison is an individual residing in Wellsville, Kansas, and thus is a citizen of Kansas. During the relevant period, Plaintiff Hardison purchased one of Defendant's defective Refrigerators, and as a result suffered injury in fact and lost money.

164. On or about April 2016, Plaintiff Hardison purchased an LG French Door Refrigerator, Model No. LFXS27566, from a Home Depot in Olathe, Kansas for approximately \$2200. He was looking for a refrigerator that would reliably keep his family's food fresh and cool. He also specifically wanted to have an ice maker.

165. Plaintiff Hardison chose his Refrigerator after reviewing, on the websites of Home Depot and Sears, statements about the Refrigerator's features including the same videos that are on LG's own website which tout the Refrigerator's purported ability to "maintain superior conditions" and "keep food fresher longer." He relied on this information when making his purchase.

166. Approximately 11 months after he purchased his Refrigerator, in March 2017, Plaintiff Hardison began experiencing both the Ice Maker Defect and the Smart Cooling Defect in his Refrigerator. He contacted LG while within his warranty period, but LG did not send out a repair technician for approximately four months.

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167. The problem evolved as follows. First, Mr. Hardison's wife heard a grinding noise coming from the Refrigerator. Then the ice maker jammed and stopped dispensing ice. Next, the ice maker stopped making ice entirely. Then the freezer failed and, finally, the Refrigerator failed entirely.

168. Four months after he initially contacted LG customer service, LG sent a repair technician who advised Plaintiff that the Refrigerator's compressor was broken. The technician stated that there was a blockage in the compressor that caused the pressure in the freon line to rise excessively. He instructed Plaintiff Hardison to turn off the Refrigerator entirely because there was a risk of explosion.

169. Plaintiff Hardison has lost approximately \$300 in food spoilage due to the Cooling Defect. In addition, he and members of his household devoted approximately eight hours of lost work time waiting for a service technician to address and fix the Refrigerator.

170. As a consequence of the undisclosed Defects with the Refrigerator, the Refrigerator that Plaintiff Hardison received is worth substantially less than what he bargained and paid for. If he had known that it contained design and/or manufacturing Defects that would cause it to fail to function properly, he would not have purchased his Refrigerator or would have paid less for it.

171. Plaintiff Hardison has experienced ascertainable and substantive losses as a result of Defendant's wrongdoing. Neither he nor other members of the proposed Class would have suffered such loss but for the wrongdoing by Defendant.

<u>Defendant LG</u>

172. Defendant LG Electronics U.S.A., Inc. is a Delaware corporation that sells home appliances, mobile communications devices and other electronics in the United States. LG's

primary corporate offices are located at 1000 Sylvan Ave, Englewood Cliffs, NJ, 07632. Defendant maintains a website at http://www.LG.com/us. Defendant markets, distributes and sells the Refrigerators throughout the United States. On information and belief, all significant decisions concerning the design, marketing and sale of the Refrigerators at issue were made at Defendant's New Jersey headquarters.

FACTUAL ALLEGATIONS

173. Defendant is in the business of designing, manufacturing, distributing and selling nationwide appliances and electronics, including high end refrigerators. Consumers can purchase the Refrigerators through large chains like Home Depot, Sears and Best Buy, through smaller local appliance stores, and from numerous websites. Although the Refrigerators cannot be purchased directly from LG's website, that website provides links to multiple retailers where they may be purchased.

174. Defendant sells several lines of refrigerators, including the Refrigerators at issue. The Manufacturer's Recommended Sales Prices ("MRSP") for the Refrigerators range between approximately \$1,399 and \$6,999.99, with most of them falling between approximately \$1,999 and approximately \$3,999.⁶ Typically, over time, after a new model is introduced to the market, its sales prices are lowered away from the MRSP. Thus older models will be less expensive than the newest models on the market. The current selling prices as of the filing of this Complaint for available Refrigerator models at Best Buy, Home Depot, and Sears range from approximately \$1,259 to approximately \$6,299.

175. LG charges a premium for the through-door Slim Space®Plus icemakers and Smart Cooling® and Smart Cooling® Plus cooling systems. Its MRSPs for its refrigerators

⁶ LG is currently offering a rebate of "up to \$500" on most new Refrigerators.
without either of those features range from \$699-1299. By way of further comparison, LG's model LTCS24223D, a LG Black Stainless Steel 24 cubic foot "Large Capacity" refrigerator without Smart Cooling or Smart Cooling Plus, and without a through door Slim Space®Plus icemaker currently has an MRSP of \$1299, while its least expensive model with both a Slim Space ®Plus Ice Maker, and a Smart Cooling System is the LFX25974SB, with an MRSP of \$2099.99.

176. Each of these Refrigerators is sold with one or more significant Defects that makes it worth substantially less than the prices that consumers paid. Defendant conceals the Defects and misrepresents the quality of these products.

The Cooling Defect

177. The Cooling Defect gives Refrigerators a propensity to fail in their essential function. When it manifests, the Refrigerators fail to maintain appropriate temperatures and food is spoiled.

178. One way that this problem presents is that the fans within these models first make excessive noise, often sounding like a ticking, vibrating or grinding. The fans become clogged with ice. Either before or after the ice build-up, the fans cease to turn. Finally, as a result, the fans stop distributing cool air throughout the Refrigerator, in the main refrigerator (fresh food) compartment and/or in the freezer.

179. Another way that this problem manifests is through the compressor failure, in which the compressors in the units fail to function. The compressors are a part of the Smart Cooling® and Smart Cooling® Plus Systems. Their malfunction can result in a failure of the units to maintain ice at appropriate temperatures.

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180. On information and belief, defects with the Refrigerator's fans icing over and their compressors ceasing to work are interrelated. As alleged herein, various consumers have been told that the fans have frozen over due to a defect in the compressor.

181. The Cooling Defect renders the Refrigerators useless because they become incapable of maintaining appropriate temperatures in the food compartments, even when they are used exactly in the manner directed by Defendant. According to the National Association of Home Builders/Bank of America Home Equity Study of Life Expectancy of Home Components, reproduced in relevant part on the Consumer Reports website, the expected life of a refrigerator is 13 years.⁷ While products may be expected to need repair during before they are replaced, it is unfair for a manufacturer to sell them with a defect it knows makes them likely to break early in their expected life period. However, due to the Cooling Defect, Defendant's Refrigerators frequently fail in their primary function of maintaining food at appropriates temperatures with the first failure often occurring within two years of purchase. It is common for the Cooling Defect to reoccur once an attempt at repair has been made. *See, e.g., infra*, at ¶¶ 207(c), (d), (f), (g); 216(b), (c), (e); 218; 221(b)).

The Ice Maker Defect

182. The Refrigerators also suffer from the Ice Maker Defect which result in ice makers prone to failure well in advance of the end of the expected useful life of the Refrigerators.

183. One way the Ice Maker Defect occurs is that the ice makers clog or jam up, frequently as a result of the ice partially melting and then refreezing into large blocks that cannot pass through the dispenser chute. This renders the ice makers unable to dispense ice. To get the

⁷ http://www.consumerreports.org/cro/news/2009/03/by-the-numbers-how-long-will-your-appliances-last-it-depends/index.htm (visited March 3, 2017)

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ice makers to start working again, consumers must either defrost their ice makers or break up and manually remove clumps of ice. Once they have done so, it is not long before the ice clumps anew and the ice makers become unusable again.

184. In other cases, the ice maker simply stops getting cold enough to make ice.

185. On information and belief, the Ice Maker Defect may be connected to the Cooling Defect.

186. Consumers pay a significant premium for Refrigerators with ice makers in their doors. Consumers do so expecting that this feature will work and provide consumers with useful functionality. The Refrigerators do not do so. Indeed, Morit is common for this Defect to reoccur after an attempt at "repair" has been made. *See*, *e.g.*, *supra*, at ¶¶ 223(a), (b), (i); 228(a), (d); 232(b); 234(b).With respect to the ice makers in its Refrigerators, Defendant failed in its duty to properly design and manufacture its products. Defendant failed to ensure that the Refrigerators worked properly before they left Defendant's hands. Defendant also failed to ensure that its marketing and disclosures reflected the true nature of its Refrigerators.

<u>Defendant Knew of the Defects or Was Reckless</u> <u>in Not Knowing of Them at All Relevant Times</u>

187. Defendant has, at all relevant times, been well aware of the Defects or reckless in not knowing of them. Defendant's knowledge or recklessness in not knowing of the Defects is evidenced by a number of facts.

188. First, as shown below, countless consumers have posted about the Defects on a host of consumer and retailer websites. Some of the consumers even reported the Defects on Defendant's own webpage.

189. In most of these postings, the consumers indicate that they personally contacted Defendant by phone to seek assistance as a result of one or more problems resulting from the

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Defects. Defendant cannot have been ignorant of the Defects in the face of this flood of complaints.

190. Moreover, Defendant generates claim numbers for problems that customers report to it so that it may track such claims. This is evidenced by Plaintiffs' own experiences. For example, Plaintiffs Jung and Hillegas were each assigned a claim number. Plaintiff Jung recalls that LG tracked this number each time he called back to follow up.

191. Upon information and belief, Defendant maintains a database for accessing such information. Defendant thus has extensive evidence about the Defects.

192. In addition, as set forth herein, Defendant regularly spoke with and advised distributors and/or repair personnel of the Defects. On information and belief, it was necessary for LG-authorized repair personnel who worked on the defective Refrigerators to report the Defects to Defendant so that they could obtain parts and instructions.

193. It would not be credible for Defendant to deny knowledge of either of the Defects.

Defendant's Knowledge of the Cooling Defect before the Plaintiffs' Purchases

194. Notably, Defendant was aware of the Defects in models substantially similar to those purchased by Plaintiffs – models with the Smart Cooling® or Smart Cooling® Plus systems and Slim SpacePlus® Ice Systems – since before the Plaintiffs' purchases.

195. With respect to the Cooling Defect, Defendant's knowledge is evidenced by multiple facts.

196. First, in 2008, LG Canada issued a service bulletin about ice buildup blocking fans in earlier LG bottom freezer refrigerators. On information and belief, such service bulletins are only made available to licensed service technicians and not made widely available to consumers. The first page of the bulletin, reproduced below, described the "Symptoms (key

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points)" of the problem as "Ice buildup in freezer wall section causing blockage resulting in ER FF error code and damage to evaporator fan."

Reporter	Andrew Lauder	Alert Grade : Y B	
Sources	Dealer claim Part us Customer voice Return ASC information IQC		
Product Information	Product – Bottom Freezer SER# – Eirst date of Sales – Sales Q'ty		
Quality issues	Failure q'ty / Ratio Symptoms (Key points) Ice buildup in freezer wall section caus code and damage to evaporator fan. Causes (Key points) Excess insulation traps water and create		
	g the blockage. •Solution is in pictures that follow		
inal approval	•Solution is in pictures that follow	eep selling	
inal approval F/up record	•Solution is in pictures that follow	eep selling SVC D	ir.
F/up	•Solution is in pictures that follow		ir.

197. In addition, consumers have been complaining to Defendant about fans freezing over and failing in earlier, but substantially identical, models of LG refrigerators since well before the Plaintiffs' purchases. For example consumers made the following complaints between 2009 and 2010 on various consumer and seller websites, including on LG's own, which specifically reference their communications with LG:⁸

a. "...When the fan broke down, *I phoned LG*. ... the error code on the computer display meant that my fridge had completely shut down. ... When I woke up the next

⁸ All emphasis in consumer complaints and reviews quoted herein is supplied. All typographical errors are in originals.

morning, I found all of my food spoiled and the frozen food in the freezer was thawed..." (Complaint posted in 2009.)⁹

b. "Within first 8 mo. French door lg refrigerator started to make much noise.BestBuy refered me to their service provider. *They replaced a fan motor, then Imo later at our own expence of 574.00 later, the loud noise returned*. Again it started to make significant noise. This time we put up with it for awhile, until the error message appeared. Another repair company out in late January 2009 The tech said it was a circuit board inside the freezer not allowing the build up of ice to defrost and motor would not turn. We were told lg would not release the part until 3/19/2009. It is now 3/28/2009 and still no part! Life is not good at our house, *having to melt ice with a blow dryer and keeping frozen foods to a minimum*. I am afraid it will totally quit working." (Complaint posted in 2009.)¹⁰

c. "From day one, this fridge has proved to be defective. The switches are freezing up *and fans are freezing*. … The fans are noisy and cooling has been a problem. I purchased this in September 2009 and it is still under warranty. *Now, LG is giving me a hard time*." (Complaint posted in 2010.)¹¹

d. "...[T]he unit started making a loud, grating sound. *LG sent out a service man*. He found a 1/2" to 1" coating of ice had formed on the back inside wall of the freezer compartment which was blocking the fan. With the unit unplugged, that ice melted enough that he could peel off the ice. The fan then ran as normal. However, the service man expressed surprise that so much moisture had accumulated to freeze over the entire back wall. But he could find no cause. He suggested that it might be smart to replace that fan since it probably had run

⁹ https://www.consumeraffairs.com/homeowners/lg_refrigerator.html?page=50

¹⁰ https://www.consumeraffairs.com/homeowners/lg_refrigerator.html?page=51

¹¹ https://www.consumeraffairs.com/homeowners/lg_refrigerator.html?page=43

almost continuously due to the ice problem and thereby incurred unusual hours and wear and tear in the days preceding his visit..." (Complaint posted in 2010).¹²

e. "*I contacted LG Customer Service* about problems with my fridge. I had problems with food spoilage within a couple of weeks and I lost a lot of food during this time and couldn't figure out what was going on. A fan in the fridge was not working properly and they had to come out a couple of times before that got fixed. I have two freezer drawers and the bottom drawer never closes right, never did, and they never fixed it. It freezes and when I get ice, the door stays open. When the door is left open for just a small amount of time, the ice maker has problems dispensing ice. I've complained about all of these things…" (Complaint posted in 2010.)¹³

198. Defendant is also aware of the problems that the Cooling Defect causes in its Refrigerators' capacity to maintain appropriate temperatures as a consequence of prior litigation that was ultimately settled.¹⁴ While it is clear that Defendant knew of the Cooling Defect even before that litigation was brought, it is even more clear that its senior executives knew of the Cooling Defect after that litigation was brought in 2013, before any of Plaintiffs purchased their Refrigerators.

¹² https://www.consumeraffairs.com/homeowners/lg_refrigerator.html?page=44

¹³ https://www.consumeraffairs.com/homeowners/lg_refrigerator.html?page=43

 ¹⁴ *Clark v. LG*, S.D. Cal., 3:13-cv-00485. The LG models included in the settlement of that case were manufactured between March 2011 and May 2013, and included: LFX33975ST;
 LFX31915ST; LFX31925SB; LFX31925ST; LFX31925SW; LMX31985ST; LFX31935ST;
 LFX31945ST; LFX25991ST; LSFD2591ST; LFX31995ST as well as Sears Kenmore Models (manufactured by LG) 72052, 72053, 72059, 72403, 72049, 72042, 72063, 72062, 72182, 72183, and 72189.

Defendant's Knowledge of the Ice Maker Defect before the Plaintiffs' Purchases

199. Likewise, with respect to the Ice Maker Defect, consumers have been complaining about the ice makers in some of the Refrigerator models and some earlier models of LG's Refrigerators with ice makers in their doors freezing over and ceasing to produce ice since long before the Plaintiffs' purchases.

200. Defendant is also aware of the problems that the Defects cause in its ice makers as a consequence of prior litigation referenced above. While it is clear that Defendant knew of the Ice Maker Defect even before that litigation was brought, it is even more clear that their senior executives were aware of the Ice Maker Defect after that litigation was brought in 2013, before any of the Plaintiffs purchased their Refrigerators.

201. In addition, a flood of complaints were posted online before the Plaintiffs' purchases indicating that the problem had been reported to LG:

a. "...The problem got worse, the dispenser would clog up and when you held the glass under, nothing would come out. Using a wooden spoon to dislodge the cubes would bring an avalanche of crushed and cubes crashing all over the place... I would not recommend an LG refrigerator to my worst enemy ..."¹⁵ (Complaint posted 2009.)

b. "...From the very beginning, the ice maker would jam. ... an LG repair technician has come out five times and a non-LG technician once. They have adjusted the ice maker flapper spring, replaced the ice bin, replaced the whole freezer door which has the ice maker in it, replaced the flapper spring with a stronger one and loosened the screws on the flapper bracket. Still, no fix. ..." (Complaint posted 2009.)¹⁶

¹⁵ https://www.consumeraffairs.com/homeowners/lg_refrigerator.html?page=49

¹⁶ https://www.consumeraffairs.com/homeowners/lg_refrigerator.html?page=48

c. "I bought an LG refrigerator a year ago. *The ice maker does not work and constantly freezes up. On its own, it will just shut off not making any ice.* One repairman came out and *he could not fix it.*" (Complaint posted 2010).¹⁷

d. "We bought our \$2,000 LG refrigerator 3 years ago. *We have had constant problems with the ice maker and it currently does not make ice. It freezes. Then we turn it off to thaw it out and it still doesn't work*. It has been repaired once already (after the warranty expired, of course). ... I'm so fed up and frankly can't believe how matter of fact they are about a \$2,000 refrigerator that doesn't work properly." (Complaint posted 2010).¹⁸

e. "We purchased an LG Model LFX25960ST Refrigerator in 04/07. *The ice maker has broken 3 times and had to be replaced 3 times. Only the first replacement was covered by their warranty. The others cost \$320 each.* The 1-800 customer service number is useless...*This ice maker should be redesigned, since it is obviously defective...*" (Complaint posted 2010.)¹⁹

f. "From the very beginning, the freezer door pops open slightly when the fridge door is closed. It isn't always noticed until water puddles up on the floor. The hose to the ice maker has been fixed 7 or 8 times because it keeps splitting. *The ice maker jams up and won't release the ice.* Today, I woke up to water all over the floor. There was no power to the whole unit. I checked the outlet and there was power. I can't get a hold of a repairman." (Complaint posted 2011).²⁰

¹⁷ https://www.consumeraffairs.com/homeowners/lg_refrigerator.html?page=45

¹⁸ https://www.consumeraffairs.com/homeowners/lg_refrigerator.html?page=43

¹⁹ https://www.consumeraffairs.com/homeowners/lg_refrigerator.html?page=44

²⁰ https://www.consumeraffairs.com/homeowners/lg_refrigerator.html?page=39

g. *"The LG ice maker design is flawed (LG Refrigerator LFX25975ST103).*

... The ice maker would not function and was replaced after numerous service calls between September 2010 and January 2011. It has never functioned properly, always crushing most of the ice. This leads to a crushed ice dam that forms in the door. Eventually, one must clean out this mess. After being a slave to service calls in 2010, I decided to utilize my Home Depot extended warranty and attempt once more to have ice from this very expensive investment. ... A crack existed in the ice hopper and a very talented serviceman came to my home, analyzed the problem, and ordered a new ice hopper. The part arrived last week and since then, the same problem has existed. Now, I am unable to remove the ice hopper due to the ice dam in the door. This entire problem is due to the design. We keep the temperature in our home at just under seventy degrees year-round. When the left door is opened, the vents between the main refrigerator body and the door allow warmer air to enter the ice maker. The flap door that opens to allow ice to eject also allows warm air to enter due to the long length of the trap door opening, 5 seconds. This allows some melting of the ice that is trapped and crushed in the hopper to melt then re-freeze in the blades. Then the damming cycle begins once again." (Complaint made in 2012, referencing service calls made in 2010 and 2011.) 21

202. Notably, certain of these reviews also make clear that the consumers contacted LG about the problem and/or were specifically told that LG was aware of the Ice Maker Defect. These comments include the making of calls requesting repairs during the manufacturer warranty period. *See, e.g.*, subparagraphs b, c, e and g above.

Extraordinary Number of Consumer Complaints about the Defects in the Refrigerators

²¹ https://www.consumeraffairs.com/homeowners/lg_refrigerator.html?page=34

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203. More recently, since Plaintiffs' purchases, there has been a virtual tidal wave of customer complaints about the Defects, both on Defendant's website and elsewhere. For the consumers who felt compelled to write about their poor experiences, the Refrigerators failed in their essential purpose of keeping food at appropriate temperature and failed to meet Defendant's promises of ice production. Information about many of the failures reflected in these complaints would, on information and belief, have been provided to Defendant by service people seeking information on repairs or to obtain replacement parts.

204. Notably, of the 304 ratings of Defendant's Refrigerators tallied on the *Consumer Affairs* website as August 28, 2017, the vast majority -- 276 -- are for just one star (the lowest rating possible), 10 are for two stars, and only 20 have three stars or above.²²

205. Of 54 reviews on Amazon as of the filing of this complaint, for the model purchased by Plaintiffs Jung, Saber and Hillegas, 64% of reviewers gave the product the lowest rating of one star.²³ Likewise, of 57 reviews on Amazon as of the filing of this complaint, for the model purchased by Plaintiffs Montanye, Haggard and Grishchenko (Model No. LMXS30776), 55% of reviewers gave the product the lowest rating of one star.²⁴ Similarly, of 15 reviews on Amazon as of the filing of this complaint, for the model purchased by Plaintiff

²² https://www.consumeraffairs.com/homeowners/lg_refrigerator.html

²³ https://www.amazon.com/LG-LFXC24726S-French-Refrigerator-Stainless/dp/B00NO5WOIY/ref=sr_1_1?ie=UTF8&qid=1494960224&sr=8-1&keywords=LFXC24726S (last visited September 4, 2017)

²⁴ https://www.amazon.com/LG-LMXS30776S-French-Refrigerator-Stainless/dp/B00NFBV86G (last visited September 4, 2017)

Zelig (Model No. LFXS24623S), 46% of reviewers gave the product the lowest rating of one star.²⁵

Extensive Consumer Complaints About the Refrigerators

206. Angry and frustrated purchasers of Defendant's Refrigerators have published their complaints on an array of consumer and retail websites.

207. The following are examples of negative reviews posted by angry customers concerning the Cooling Defect in the exact models purchased by Plaintiffs Jung, Hillegas, and Saber (Model LFXC24726S):

a. "OK, 2 failures since purchase....I purchased this refrigerator about 2 years ago. *A little over a year into ownership* we had to have the main circuit board replaced. *The repairman said it was due to a design flaw and that he had seen this same problem in several other LG models that use the same piece. Apparently the fan doesn't move enough air in the right places and ice buildings up, and backs up into the circuit board or something causing it to short out.* Wonderful, right? Thank god I had paid for the extended warranty because the repairman said the diagnosis, parts, and repair would have totaled about \$600. Well today, now about 2 1/2 years into ownership, the water dispenser suddenly stopped dispensing water. It's not the filter. No idea what the problem is, and my warranty is up of course. Can't wait to see this repair bill...."²⁶

b. "If you want a refrigerator that lasts more than a year, don't buy this LG fridge. Don't take my word for it, go on line and google the model number and learn how *the fan*

²⁵ https://www.amazon.com/LG-LFXS24623S-Ultra-Capacity-Refrigerator-Stainless/product-reviews/B00O30LK66 (last visited September 4, 2017)

²⁶http://www.homedepot.com/p/LG-Electronics-23-7-cu-ft-French-Door-Refrigerator-in-Stainless-Steel-Counter-Depth-LFXC24726S/205343795?keyword=LFXC24726S.

motors freeze up just after the warranty expires. (Amazingly, the LG website doesn't have reviews that indicate this enormous problems. [. . .] *Also, the ice makers are almost as bad.* Once your LG breaks down, try to find a competent LG tech. The bells and whistles LG flashes you are attractive; however, you need to keep your food cold, first and foremost. I'll forgo the LED lights for cold air from now on...\$3,000 down the drain!"²⁷

"... Buver beware - this unit has a known defect. Keep reading for C. details. This 24.0 cu ft. counter depth refrigerator made it's debut in the fall of 2014. I previously purchased a 28 cu ft. LG unit in 2009 and I absolutely loved it. I bought the 24.0 counter depth fridge in Sept. 2014 after a recent kitchen remodel and I have had a lot of problems. The first thing I noticed was how loud it was compared to my old LG unit. There is also a lot of vibration. In December 2014 my new LG started making a loud humming noise - it was clearly a fan spinning because when I opened the door you could hear it stop. I contacted LG customer service and they ran the diagnostics which seemed to solve the problem - but it was only temporary; the loud fan noise returned three weeks later. I contacted customer support again and they dispatched a technician the next day. I asked the tech why the unit was so loud? He informed me that the newer LG refrigerators were, in fact, louder. He told me LG had increased the torque of the three fans inside the unit. This change was intentional, to make the unit more efficient in cooling. We emptied out the freezer and took the back off to reveal a major ice jam on the defrosting coils. The tech called the LG factory and he was told this was a known issue (defect!). At this time, LG does not have a fix for this issue - they have not published a bulletin with the affected serial numbers. All the Tech could do for me was to melt the ice jam using a

²⁷http://www.homedepot.com/p/LG-Electronics-23-7-cu-ft-French-Door-Refrigerator-in-Stainless-Steel-Counter-Depth-LFXC24726S/205343795?keyword=LFXC24726S

heat gun and hope it does not happen again. He instructed me to contact customer service if the noise returns. Obviously, this is not acceptable; I plan to escalate until LG either fixes my new fridge or gives me a refund.²⁸

d "Pick Another Refrigerator This One is Nothing But Aggravation. Let me start off by saying that I bought this from another retailer. I initially loved the look and functionality of my new fridge. Now 10 months old this is what I just experienced: My 10 month old french door refrigerator's fan starting making a loud noise. I looked up my problem on the internet and found that my unit has a know frost buildup issue. I called LG since it was still under warranty. They diagnosed the unit over the phone and scheduled a service appointment for me. A new control panel was mailed out to me. The tech was supposed to be at my home between 8 am and noon yesterday. I received a phone call the night before confirming him for between 10 and noon. The tech did not show up until 1:05. *He then proceeded to empty out my* fridge, remove all of the shelves and the bins. The vent behind the veggie bin was encrusted with ice which he melted and chiseled away. Then the back panel inside was removed which revealed the entire coil frozen and encrusted with ice. It took until after 3 PM for him to melt all of the ice...." The tech pulled out the fridge and replaced the control panel on the back. [O]ne day later, the fridge has begun to make the same sound and the ice is already forming around the vent. I was assured the control panel (brain) would fix the problem. Well it seems to me that this is not the case and I know have to go through this again not knowing if the LG tech can figure out what actually is wrong. [...] I'm regretting my decision to go with LG. I should have purchased a Samsung refrigerator. I will never purchase another LG product again.

²⁸https://www.amazon.com/LG-LFXC24726S-French-Refrigerator-Stainless/productreviews/B00NO5WOIY/ref=cm_cr_arp_d_viewopt_kywd?ie=UTF8&reviewerType=all_review s&pageNumber=1&filterByKeyword=2014

Am I expected to miss another day of work to be available for service, suffer the mess and inconvenience of the repair process and then not know if after the second visit if it will be fixed or not?"²⁹

e. "Purchased for kitchen remodel, considering either the Samsung or LG brands. *Ran perfectly for about 5 months, then refrigerator cooling fan system failed wherein freezer was properly chilled but refrigerator was only somewhat barely chilled*. Initiated warranty repair service immediately with LG, noting the error code displayed on the door panel. ... *Apparently, this repair problem is not uncommon*...."³⁰

f. *"Within the first year, the fan motor has gone out twice, showing the Error Code on the front panel.* [...] *I fear that when I get the second replacement it will fail again, when I am beyond the warranty of this expensive appliance*. It is disappointing that I had to get ice and put my food in coolers, not knowing when the repair people will be here and if the replacement part is in stock. The inconvenience of time, ice/cooler and buying replacement food makes for an unhappy customer."³¹

g. "1.0 out of 5 stars - Avoid LG at all costs! … I will never, ever buy another LG product again. We just threw away \$2,500 for a refrigerator *that barely lived past the 12 month warranty*. Our 16 month old LG refrigerator (LFXC24726S) died *(it completely filled with ice first inside the insulation, then in the refrigerator compartment until it froze up the fan)*, and during the week it took LG to send a tech, another repairman came out and diagnosed a

²⁹https://www.amazon.com/gp/customer-

reviews/R24OJ135I9KS48/ref=cm_cr_getr_d_rvw_ttl?ie=UTF8&ASIN=B00NO5WOIY ³⁰http://www.homedepot.com/p/LG-Electronics-23-7-cu-ft-French-Door-Refrigerator-in-Stainless-Steel-Counter-Depth-LFXC24726S/205343795?keyword=LFXC24726S ³¹http://www.consumerreports.org/products/french-door-refrigerator/lg-lfxc24726s-375917/overview/

faulty motherboard that was sending the wrong signal to the thermostat. This cost us \$400 in food and the initial service call from the independent co. *LG had agreed to provide parts and labor free because it was a known defect*. When the LG authorized serviceman finally showed up, he belittled me and said that it would be just fine if he defrosted it and repositioned the thermostat. He promised that if we had additional problems, they would take further action. He refused to replace the thermostat or the motherboard. *Now, 4 months later we are in the same exact position with a non-working unit- completely iced over, loss of another \$400 worth of groceries, and LG refuses to even send a technician. They literally hung up on my husband twice when he asked to speak to a supervisor. \$2,500 down the drain for a unit with a KNOWN defect. It lasted 20 months. I've never seen a company take so little pride in their product. LG, you ought to be ashamed."³²*

h. "LFXC24726S Error Code: E rF & Cause for Ice Buildup on Evaporator and Fan? ...A few weeks ago I noticed that our year and a half old refrigerator was making an unusual noise. The next morning it had the E rF error code. I unplugged it for a few hours, hoping that it would reset the problem. It bought me a few weeks, but the problem just got much worse. I saw a few of the other threads on here with others with the same error and went ahead and ordered a replacement for the fan. The fan arrived today and I disassembled the refrigerator section to replace the fan. *Once I got it taken apart I noticed there was quite a bit of ice build up along the back wall and throughout the evaporator. There was also a good chunk of ice that wouldn't allow the fan to spin. I melted the ice with in both places with a hairdryer. Once the ice was melted, the original fan spun smoothly, I went ahead and reconnected the fan and*

³²https://www.amazon.com/gp/customer-

reviews/R1QC61G3JR5ANH/ref=cm_cr_arp_d_rvw_ttl?ie=UTF8&ASIN=B00NO5WOIY

powered it back up to check if it was function and it was. I decided not to replace the fan at this time. My question is what could be causing the ice buildup to be so severe and is there any way to fix for that?"³³

i. "Problems At 9 Months - At 9 months of age my fridge started having very loud fan noises. Only when the door was closed. *After 4 weeks of this happening about once every 4 days I got an error code on the door. Code rF (fan) the food in the top shelves got warm and the meat in the bottom drawer was freezing.* The regular freezer was fine. After 4 days the LG repairman came. *He said ice around the internal upper evaporator fan.* Unplug and leave the doors open for 24 hrs. After that there was a lot of water under the bottom meat drawer. It is back to running fine. I hope it stays that way."³⁴

208. In addition, multiple reviewers of LG refrigerators observed that LG repeatedly sought to prohibit negative reviews on its website. For example, one consumer reported, "I have attempted to leave a review on the LG site, but they reject all negative reviews. I noticed that other review sites pull reviews from the LG site as well, so they have artificially inflated reviews throughout the internet."³⁵ Another commented, "DO NOT trust the LG side for your reviews, they manipulate the reviews and post what they want, I tried to post over there and they denied it because it did not meet their guidelines. In Amazon this product has 2 stars and in there's it has almost five. I guess the guidelines are that if you say something negative they won't post it."³⁶

³³https://www.applianceblog.com/mainforums/threads/59579-LFXC24726S-Error-Code-E-rF-Cause-for-Ice-Buildup-on-Evaporator-and-Fan

³⁴http://www.consumerreports.org/products/french-door-refrigerator/lg-lfxc24726s-375917/overview/

³⁵https://www.amazon.com/LFX25974ST-Freestanding-Refrigerator-Capacity-Stainless/dp/B005VV62QY

³⁶https://www.facebook.com/permalink.php?story_fbid=807780039296633&id=6455153055231 08

209. Nevertheless, LG's product webpage for Plaintiffs Jung's, Hillegas's, and Saber's refrigerator model includes the following negative reviews specifically concerning the Cooling Defect:

a. "AT FIRST, I DID NOT KNOW IF I WANTED TO KEEP IT! -- I bought this LG from Sears and it was delivered about 12/9/14. It worked well for about 4 or 5 days and then started making a loud noise. I called Sears and a man came and said the gasket around the freezer door was not sealing tight and cemented the 4 corners. *This helped a little and then got loud again*. The man came back and said that he would have to take it apart or I could call LG. *I called and you sent a man out and he took it apart and remove a lot of ice from the fan*. It has been quiet since then *but I keep thinking that the fan will ice up again*."³⁷

b. "I have same refrigerator. *One month after the warranty expired the fan was making noise and the temperature was not distributed evenly within the unit*. Eventually *noticed ice build up behind* the drawers. Called Sears for service and was advised that the motherboard was defective and they ordered a new one. Approx cost of repair after 14 months \$500."³⁸

210. In addition, certain reviewers revealed that Defendant was aware of the Defect yet took no action to address it:

a. "LG sent us a letter stating: *We have identified the need to service these units to prevent occasional ice build-up behind the crisper compartment in the fresh food area* of the refrigerator. There is a relatively simple repair that LG will offer to you at no charge. That

³⁷ http://www.lg.com/us/refrigerators/lg-LFXC24726S-french-3-door-refrigerator

³⁸ http://www.lg.com/us/refrigerators/lg-LFXC24726S-french-3-door-refrigerator

letter was dated March 6, 2015 and as of today, 12/10/ 2015, *I am told to still wait for their call to come service it*.³⁹

b. "Do not buy this refrigerator! It has been leaking from the door under the ice maker onto my wood floors since day one. I have contacted LG (per Costco customer service) and still not received an appointment for service to repair it. *In the meantime (while I wait for service for the leak), I received a notice from Costco that there is another problem with this refrigerator having to do with condensation buildup behind the crisper which requires service from LG*. These are not issues you expect from a VERY EXPENSIVE refrigerator. I will request a refund/return from Costco at this point. But, this is a real pain to accomplish when you are dealing with an item you use every single day and which is filled with hundreds of dollars of food. It is not easy to exchange or return a refrigerator. Costco should not sell this item anymore. It is not up to Costco standards."⁴⁰

c. "My refrigerator is making a roaring noise. It is 5 months old. LG (once I got through on the phone) said someone would be here today to fix it. No, they lost the appointment. *Costco sent an email saying this model was defective, and I would hear from LG about the fix. No. I have no idea if this will get fixed, as the LG system doesn't necessarily generate a real world repair visit...*"⁴¹

211. Defendant continued to sell the Refrigerators yet failed to advise retailers and customers of the Cooling Defect and failed to promptly repair the Cooling Defect.

³⁹https://www.costco.com/LG-24CuFt-3-Door-French-Door-Ultra-Capacity-Counter-Depth-Refrigerator-in-Stainless-Steel.product.100146708.html

⁴⁰ https://www.costco.com/LG-24CuFt-3-Door-French-Door-Ultra-Capacity-Counter-Depth-Refrigerator-in-Stainless-Steel.product.100146708.html (visited September 4, 2017)

⁴¹ https://www.costco.com/LG-24CuFt-3-Door-French-Door-Ultra-Capacity-Counter-Depth-Refrigerator-in-Stainless-Steel.product.100146708.html (visited September 4, 2017)

212. The same Cooling Defect is also found in a host of Defendant's other models, each of which utilize the same Smart Cooling® or Smart Cooling® Plus system with dual evaporator fans.

213. For example, with respect to Model LMXS30776, the model purchased by Plaintiffs Grishchenko, Haggard, and Montanye:

a. Showing the relationship between the fan icing and the condenser, one consumer wrote, "DOOO NOOOT BUUUY! ... First off, we paid over \$3,000 for this fridge and only had it for *7 months before it built up ice around the fan and had to be repaired*. Fast forward 4 months later and my fridge actually started making a *loud noise like an actual air compressor and stopped cooling*. Anyone who knows this sound knows it is loud. ... I found out *these fridges have been known to have a high failure rate and the compressor to replace the bad one was backordered for a month to boot*. Wait, did I say we only had this fridge for a year?? Ha! ...Oh I'm not done, parts came in, fridge was "repaired" and guess what? It's still making the air compressor sound and not cooling after a week, so we're right back where we started...⁷⁴²

b. On LG's own website, a consumer wrote: "...It stopped cooling. We contacted LG and they had us unplug it and plug it back in. That worked, for a day. Then it stopped cooling again. ... They diagnosed the issue as a sealed system problem. The charge, \$700 for the labor, the parts were under warranty. So we have them order the parts, and the refrigerator starts working again. The service company says it can't be the sealed system if it's at

⁴² http://www.homedepot.com/p/LG-Electronics-29-7-cu-ft-French-Door-Refrigerator-with-Door-in-Door-and-CustomChill-Drawer-in-Stainless-Steel-

LMXS30776S/205178498?cm_mmc=SEM|THD|google|D29+Appliances&mid=sTPzLWkmC|d c_mtid_8903tb925190_pcrid_47590676382_pkw_pmt_b_product_slid_&gclid=EAIaIQobCh MI34CGyLH61QIVBQhpCh3WVgMEEAAYBCAAEgKrpPD_BwE (visited August 25, 2017)

temperature. *The refrigerator does this a few more times, cools for a few days, then stops cooling.* They come out and look at it again. They contact LG, who have no idea what the issue is. ... This is not what you expect when you pay \$3K for a refrigerator just 2 years ago. ... And, we are still without a refrigerator.⁴³

c. From Home Depot's site: "Cooling fan started making a God awful noise that could be heard through the entire house, called for service which *they fixed for now but no permanent solution looking for that to start back in a few months*."⁴⁴

d. "I just bough this refrigerator about 36 months, now the I hear the noise from it. I called the customer support they said the Fan for cooler broke and need to replace, and will be cost around \$291. This refrigerator is looking nice but the part is not good."⁴⁵

e. "I purchased a French door LG refrigerator 7/2015 … and 20 months later the compressor failed according to the LG authorized repair man. … There are 1766 complaints re the LG refrigerators, many about defective compressors failing in less than two years. … The LG refrigerator is a high end pretty box, but has an extensive history of maintenance issues that even when corrected to not provide long term results."⁴⁶

⁴⁴ http://www.homedepot.com/p/LG-Electronics-29-7-cu-ft-French-Door-Refrigerator-with-Door-in-Door-and-CustomChill-Drawer-in-Stainless-Steel-

⁴³ http://www.lg.com/us/refrigerators/lg-LMXS30776S-french-4-door-refrigerator

LMXS30776S/205178498?cm_mmc=SEM|THD|google|D29+Appliances&mid=sTPzLWkmC|d c_mtid_8903tb925190_pcrid_47590676382_pkw_pmt_b_product_slid_&gclid=EAIaIQobCh MI34CGyLH61QIVBQhpCh3WVgMEEAAYBCAAEgKrpPD_BwE (visited August 25, 2017)

⁴⁵ tp://www.homedepot.com/p/LG-Electronics-29-7-cu-ft-French-Door-Refrigerator-with-Doorin-Door-and-CustomChill-Drawer-in-Stainless-Steel-

LMXS30776S/205178498?cm_mmc=SEM|THD|google|D29+Appliances&mid=sTPzLWkmC|d c_mtid_8903tb925190_pcrid_47590676382_pkw_pmt_b_product_slid_&gclid=EAIaIQobCh MI34CGyLH61QIVBQhpCh3WVgMEEAAYBCAAEgKrpPD_BwE (visited August 25, 2017)

⁴⁶ https://www.consumeraffairs.com/homeowners/lg_refrigerator.html?page=6 (visited September 4, 2017)

214. Likewise, with respect to Model LFXS24623S, the model purchased by Plaintiff Zelig:

a. "Bought this a week ago. *It will not hold the proper temp in the refrigerator*. I put in a thermometer and the temp varies from 33 -50 degrees. Milk that has 10 days before expiration is starting to sour already. ..."⁴⁷

b. "I bought this 3 weeks ago and had it delivered 2 weeks ago. It is dying! Ice cubes have melted in the dispenser, frozen foods have thawed and are now thrown out and loosing the food in the refrigerator section as I'm typing this...."

c. "*The compressor on this refrigerator died in the first week* and the second one just died after 24 months! What a colossal waste of money! And don't get me started on the mess that it made on my hardwood floor." ⁴⁸

d. "...The problem was it did not work a service man came worked on it yet still it did not work. In the meantime ai lost a full amount of groceries worth quite a lot . *Finally I decided one more try,so the repair guy came and said the compressor was not good*. He ordered this and we then had a working appliance. This all took maybe a month. Not a happy camper at all."⁴⁹

215. In addition, with respect to Model LFXS29766S, the model purchased by Plaintiff Hernandez :

⁴⁷ https://www.lowes.com/pd/LG-24-2-cu-ft-French-Door-Refrigerator-with-Ice-Maker-Stainless-Steel-ENERGY-STAR/50273973 (visited August 25, 2017)

⁴⁸ https://www.walmart.com/ip/LG-LFXS24623S-33-Inch-French-Door-Refrigerator/46247302 (visited August 25, 2017)

⁴⁹ http://www.homedepot.com/p/LG-Electronics-33-in-W-24-2-cu-ft-French-Door-Refrigeratorin-Stainless-Steel-LFXS24623S/205343808 (visited August 25, 2017)

a. "Do yourself a favor and don't but any LG refrigerators. *Mine has a problem with ice build up from the get go and they fixed the problem once, but it's back to where we started and it's worse and LG won't do anything about it.* They are refusing to take ownership over a defective product. My fridge, going on 4 days has been making a very loud drilling noise, coming from the fan inside."⁵⁰

b. "Compressor failed in less than one year. Technician said this is a known issue with LG refrigerators. Compressor is back - ordered because the failures are so common, LG can't keep them in stock. LG will not design a new compressor for their refrigerators..."⁵¹

216. In addition, for example, with respect to Model LFXS30726S, a slightly larger but otherwise identical version of the Refrigerator purchased by Plaintiff Jung, Hillegas and Saber (the two Refrigerators share a user manual), the following, were among the reviews posted on the Home Depot website:

a. "Big disappointment. 1.0 out of 5. … We purchased this unit about a year ago and have had many problems with it. *About 6 months ago a circuit board went bad and the unit could not complete the defrost cycle. Hence, ice built up and eventually stopped the fan from running. Just this week the unit stopped cooling and freezing.* A technician (after two service calls) *determined that the compressor was bad and needed replacing.* Of course the tech does not carry compressors on the truck so we have to wait about a week before a replacement

⁵⁰ https://www.bestbuy.com/site/lg-door-in-door-28-6-cu-ft-french-door-refrigerator-with-thruthe-door-ice-and-water-stainless-steel/8267205.p?skuId=8267205 (visited August 25, 2017)

⁵¹ http://www.lg.com/us/refrigerators/lg-LFXS29766S-french-3-door-refrigerator (visited August 25, 2017)

arrives and is installed. We've been without a refrigerator for two weeks and counting. Would not recommend any LG product to a friend."⁵²

b. "DO NOT BUY - 1.0 out of 5… I bought this fridge in 9/11, the first one delivered didn't work properly and was replaced that day. Now, the one we have has never worked right. *The LG technician has come out over 8 times to fix the motherboard and various fans*...if the humidity in my home is too high my freezer stops work...yay! We called LG to get another replacement as the technician told us LG would replace after we got 4 service invoices, but LG would simply tell us that they had to research our case and *would never return our phone calls until the warranty ran out*. I absolutely HATE this fridge and I am still having to pay for it. Cons: poor quality/craftsmanship."⁵³

c. "Worst product ever ... I have had this fridge for 2.5 years now, so I have some experience with it. If you live in a humid environment, DO NOT BUY this product; actually, do not buy this product, period. *Within the first six months the fridge started making a loud noise*. We called LG and they told us to disconnect the unit for 8 hours. We did as we were told and the problem was solved for couple of months. After a couple of months, it did it again. *We called once again and LG sent a technician that dissembled the freezer section and there it was, a big chunk of ice. He used a blower to melt the ice and told us that (in his opinion) the element defrost was poorly designed. The noise is caused by ice freezing on the fan and causing an unbalanced condition. Guess what? Couple of months later it did it again.* At this point, knowing what the problem was, I just opened the freezer door and let the ice melt until the

⁵²http://www.homedepot.com/p/LG-Electronics-29-8-cu-ft-French-Door-Refrigerator-in-Stainless-Steel-LFXS30726S/205343283

⁵³http://www.homedepot.com/p/LG-Electronics-29-8-cu-ft-French-Door-Refrigerator-in-Stainless-Steel-LFXS30726S/205343283?bvrrp=1999/reviews/product/4/205343283.htm

noise was gone. I have been doing that for 2.5 years now every couple of months. The latest news is that the unit stopped working all together, dead, not cooling at all. [. . .] I gave it 1 star because I could not give a negative."⁵⁴

d "Almost 2 weeks without a refrigerator. 1.0 out of 5. The food in my veg. drawer was freezing but the rest of the refrigerator wasn't cooling. The temperature in the frig. was 46 degrees. I called LG and they said they would arrange to have a tech. come. I hadn't heard from them after 4 hours so I called back. They said it would take 3-5 days to schedule an appointment. What? So I asked for a list of authorized service companies and had someone at our house the next day. It was determined that I needed a part and that I would have to defrost the entire frig/freezer. One week later, the tech came back with a new redesigned panel, however our motor was still full of ice, so he installed the new back panel and said to let it sit unplugged for another 12 hours. We left it unplugged for a total of 60+ hours to make certain. We turned it on last night and after about two hours got an ER f error. We called LG and they told us to unplug and restart the refrig. We unplugged again and let it sit overnight. We started it up again this morning and after two hours, same error. I called LG three times this morning because I was disconnected after being put on perma-hold. I wanted them to get a service person here today, but of course, they weren't able to do that. I have to wait until Monday to even get in touch with anyone to make another appointment. That will mean 3 service calls & 3 days away from work. It's incredibly frustrating for a 7 month old refrig."55

⁵⁴http://www.homedepot.com/p/LG-Electronics-29-8-cu-ft-French-Door-Refrigerator-in-Stainless-Steel-LFXS30726S/205343283

⁵⁵http://www.homedepot.com/p/LG-Electronics-29-8-cu-ft-French-Door-Refrigerator-in-Stainless-Steel-LFXS30726S/205343283

e. "My fridge is a piece of junk. ... 1.0 out of 5. Today is January 11, 2016 the fridge was purchased on May 24 2015. I am waiting for a repairman to fix the fridge for the second time. For \$2,627.24 I expect much more. *Both breakdowns have been caused by the fridge fan and have caused us to lose hundreds of dollars of food.*"⁵⁶

Likewise, with respect to Model LFX32945ST, another French door, bottom 217. freezer model with the Smart Cooling® Plus system: "Default LFX32945ST/02 Error code door shows e under fridg and rf under freezer. i have a lg 3 door fridge, i am getting what looks like an error code on the door, under refridgerator is has a e and under freezer it has what looks like an rf. if i unplug and replug it goes away for awhile then returns. thanks in advance for any help." [A technician responded]: "The error code e rF means you have a refrigerator fan that has stopped. Possibly from too much ice buildup in the evaporator area. Remove the rear wall of the refrigerator panel to access the fan and check for ice buildup. Clear it out and reassemble everything. You may need to unplug the unit to reset the controls. If this happens again, call LG to inquire about this issue and see if they will replace the control board with an updated software version. I checked and your refrigerator is not part of any rework or recall but I do know that there is a persistent issue with this problem. The issue is the software doesn't allow for proper time to defrost all of the ice and it will slowly buildup and block the refrigerator fan motor from turning. Hope this helps. Appliance Repair Tech, LG Authorized Servicer, Danville, California."57

⁵⁶ http://www.homedepot.com/p/LG-Electronics-29-8-cu-ft-French-Door-Refrigerator-in-Stainless-Steel-LFXS30726S/205343283?bvrrp=1999/reviews/product/3/205343283.htm ⁵⁷ https://www.enplicece.blog.com/mainforums/threads/55180_Error_oode_door_shows_curder_

⁵⁷ https://www.applianceblog.com/mainforums/threads/55180-Error-code-door-shows-e-under-fridg-and-rf-under-freezer

218. Similar complaints relate to model LG LFXS32766S, another French door, bottom freezer model with the Smart Cooling® Plus system: "1.0. Poor design, plain and simple. Have had it repaired twice now in 10 months. Ridiculous. *Ice keeps building on the coil in the refigerator section. The ice then rubs against the fan blades making a lot of noise and eventually, the ice grows to point that the fan in the fridge section can't spin at all(resulting in error codes). This is just a terrible design.* I'll never own an LG fridge again. Bottom Line No, I would not recommend this to a friend."⁵⁸

219. As to Model LFX28968ST, another French door, bottom freezer model with the Smart Cooling® Plus system: "Poor Quality and Unreliable ... 1.0 out of 5. This refirgerator is very poor quality and unreliable as evidenced by the 3 issues we have had with it in only 9 months. Door issues, filter issues and *ice freezing up the fans and causing the unit to stop operating completely*. I would not recommend this refrigerator."⁵⁹

220. As to Model LFXS30766S, another French door, bottom freezer model, LG's own website reflects this comment, "KNOWN PROBLEM: *I was told by the technician that this particular unit has a known problem with the PCB board, where the defrost cycle is not long enough and consequently caused frost buildup over time. The frost build up will interfere with the fan inside the main compartment and make a loud grinding noise when the fan is on*. The LG technician worked on my 5 month old unit he was able to replace the PCB board in 5 minutes. However clearing the frost turned ice build up inside the unit took about 1 hr. ...⁵⁶⁰

⁵⁸ http://www.consumerreports.org/products/french-door-refrigerator/lg-lfxs32766s-285048/user-reviews/

⁵⁹http://www.homedepot.com/p/LG-Electronics-26-8-cu-ft-French-Door-Refrigerator-in-Stainless-Steel-LFX28968ST/203288935

⁶⁰ http://www.lg.com/us/refrigerators/lg-LFXS30766S-french-3-door-refrigerator.

after only about 14 months and LG told me it was no longer under warranty. I was out of pocket another \$400 to replace it."⁶¹

221. Elsewhere on the internet consumers reported about this model:

a. "I bought it 4 months ago and the fan when out then the board!!!!";⁶² and

b. "...This thing never worked from the beginning, the freezer will but the refrigerator will not cool. I called LG and they gave me an appointment for almost two weeks later. So remember to buy some ice the day you receive it because you might need it. The technician came tried some settings change, and we waited for a day, still not cooling. ... New technician, *explain that a fan might be broken*, and order parts. Parts came and a repair was done. Next day, not cooling, call technician directly, he came back, it looks they sent the wrong part, new order, new replacement, not cooling. This is now well into the month of receiving it. ... *Now it looks like it is another fan*. All this while I keep asking them to replace the beautiful but useless refrigerator, and they keep setting me on appointments. ... Well two months into this Life Not been any Good and I still have no working refrigerator. So take my advice and buy a GE or Samsung, or if you have the money (even though this is an already expensive one at \$3,000) one of the pro ones that might offer better product and service..."⁶³

Extensive Consumer Complaints about the Ice Maker Defect

222. Angry and frustrated purchasers of Defendant's Refrigerators who experienced the same sequence of events as Plaintiff – the in-door ice maker in their LG refrigerator freezing

⁶¹ http://www.lg.com/us/refrigerators/lg-LFXS30766S-french-3-door-refrigerator.

⁶²https://www.ajmadison.com/cgi/bin/ajmadison/LFXS30766S.html?gclid=CP3Epur56tMCFVV XDQoddwgFnw

⁶³ http://www.homedepot.com/p/LG-Electronics-30-cu-ft-French-Door-Refrigerator-with-Door-In-Door-Design-in-Stainless-Steel-LFXS30766S/205339940

over and ceasing to produce ice until they defrost it, or physically chip the ice away – have published their complaints on an array of consumer and retail websites.

223. The following are examples of negative reviews posted by angry customers concerning the Ice Maker Defect in the *exact model* purchased by Plaintiffs Jung, Hillegas and Saber, Model LFXC24726S:

a. *"We bought this refrigerator 2 years ago. Within the first 8 months the ice maker stopped functioning. LG had no repair companies in our area to come to our home, which took three phone calls to LG in order for them to decide it needed a repair.* We called Home Depot and they arranged for A&E to repair it. A&E repaired it. Starting 4 months ago ice formed inside the refrigerator, when it got to a certain depth, the ice maker stopped functioning. I defrosted the ice and the ice maker started to work. I had to defrost it again yesterday."⁶⁴

b. "...Here is evidence of this faulty food preserver's inability to justify its remaining in our kitchen. **Ice cube maker and water dispensers replaced twice and frequently leaks or jams.* *Primary circuit board in rear replaced in first year - supposed upgrade. **Entire freezer back panel and fan replaced at same time as circuit board and is in failure again and so is the ice cube maker and water dispensers out of service - supposed fan failures.*⁶⁵

c. "So disappointed with this purchase. … The compressor went out exactly one year and 3 weeks from the purchase date …"⁶⁶

⁶⁴ http://www.homedepot.com/p/LG-Electronics-23-7-cu-ft-French-Door-Refrigerator-in-Stainless-Steel-Counter-Depth-LFXC24726S/205343795?keyword=LFXC24726S

⁶⁵ http://www.homedepot.com/p/LG-Electronics-23-7-cu-ft-French-Door-Refrigerator-in-Stainless-Steel-Counter-Depth-LFXC24726S/205343795?keyword=LFXC24726S

⁶⁶ https://www.ajmadison.com/cgi-bin/ajmadison/LFXC24726S.html (last visited July 28, 2017)

d. "Compressor went out in two years but you will still have to pay hundreds of dollars in service charges to have the part replaced. It makes a person wonder how much of LG business is derived from these service charges."⁶⁷

e. "Nightmare!!!! Worst fridge ever!!! 1.0 out of 5 … My wife and I are so disappointed with our LG refrigerator!!!! In the 1 year since purchased with extended warranty there have been at least four major service calls !!!. Ice cube maker and water dispensers frequently leaking or jams. Water leaking from doors out into floor. Primary circuit board in rear replaced.-Did NOT fix it!!!! The fridge motor or fan is making so much constant noise that it finally quit working at ALL last week!!! We now have a \$3,500.00 piece of junk in our new kitchen :(Stay away from LG Appliances and Home Depot has NOT stood behind this LG fridge they sold us :(Extended warranty has been useless so far!!!"

f. "We have owned this refrigerator just over one month. *We had problems with the ice maker massing. ...About 2 weeks from placing the call to being scheduled for the repair.* ... This is a very expensive appliance and these issues should not happen..."⁶⁹

g. "...The ice maker stopped 'crushing' ice last year, and *the whole thing constantly freezes up*, and then drips all over the fridge and floor. I have shut off the ice maker now, and am looking for a replacement fridge..."⁷⁰

⁶⁷ <u>http://www.lg.com/us/refrigerators/lg-LFXC24726S-french-3-door-refrigerator</u> (last visited July 28, 2017)

⁶⁸ http://www.homedepot.com/p/LG-Electronics-23-7-cu-ft-French-Door-Refrigerator-in-Stainless-Steel-Counter-Depth-LFXC24726S/205343795?keyword=LFXC24726S

⁶⁹ http://www.homedepot.com/p/LG-Electronics-23-7-cu-ft-French-Door-Refrigerator-in-Stainless-Steel-Counter-Depth-LFXC24726S/205343795?keyword=LFXC24726S

⁷⁰ http://www.homedepot.com/p/LG-Electronics-23-7-cu-ft-French-Door-Refrigerator-in-Stainless-Steel-Counter-Depth-LFXC24726S/205343795?keyword=LFXC24726S

h. "... After one year of ownership, and subsequently an expired warranty, the ice dispenser stopped working properly. Big chunks of ice form in the chute that freeze together, blocking ice from exiting properly. I tried removing the ice holder and breaking up the ice in the chute like Kristoff in Frozen, but it inevitably always reforms. I have had two different technicians come take a look and *they cannot come up with a viable solution*. The ice maker still makes ice, but instead of just pushing the chute I have to grab the ice old school with my hands from the ice box, which is not readily accessible. It is not as big of an issue as world hunger, but *in the greater scheme of things when you spend upwards of \$3,000 plus for a refrigerator one would expect that it works like it is supposed to. Unfortunately, for me and my family, that hasn't been the case with this refrigerator.*"⁷¹

i. "...Now I'm stuck with at \$2,500 fridge, *that doesn't make ice*, or dispense water/ice from the door. The repair tech that came to help each time, told me other horror stories of the way LG treats their customers. He's worked with all brands of appliances, and the one brand he said he would never buy is LG."⁷²

224. Likewise, with respect to the model purchased by Plaintiffs Grishchenko, Montanye and Haggard, Model LMXS30776S, on LG's own website, consumers have complained:

a. "The big problem with this refrigerator is design of the ice dispenser. By you own "caution" in the refrigerator the dispenser may NOT work properly due to "ice up" of the chute. This happens all the time which also makes it difficult to remove the ice bucket as it is

⁷¹ http://www.bestbuy.com/site/lg-24-0-cu-ft-counter-depth-french-door-refrigerator-with-thru-the-door-ice-and-water-stainless-steel/7902449.p?skuId=7902449

⁷² http://www.bestbuy.com/site/lg-24-0-cu-ft-counter-depth-french-door-refrigerator-with-thruthe-door-ice-and-water-stainless-steel/7902449.p?skuId=7902449

also frozen to the chute. Manually trying to get cubes from the bucket is almost impossible unless you have little skinny hands. I have many times fought to remove the bucket and clear the frosted/iced up chute only to have to repeat the process again and again. The dispenser flapper door on occasion sticks open and has to coaxed shut. This situation is very frustrating for such a high end refrigerator."⁷³

225. Consumers also have complained about this model elsewhere on the internet. For example:

a. Showing the relationship between the ice maker and the compressor, one consumer wrote, "Avoid this refrigerator. ... *It starts when the icemaker stops making ice*. Thats your queue [*sic*] to call for service and buy some ice and coolers. Within 24-48 hours, the fridge will die completely. You will then get to wait a few days for a repairman. You will get to take off of work early to meet them, watch them screw around for an hour or two, then *order a new compressor and condenser*. This will require another visit about a week later. More missed work, more inconvenience. Make sure you have enough ice and coolers to last a week or two while the fridge is out of service OR plan on throwing out a lot of food. Most likely you will get to to experience both. *This will solve the problem for 30-60 days at which time you will get to repeat the process again*. ...⁷⁴

b. "This has been the absolute worst purchase I have ever made!! Within a year, the ice maker broke. I have now had the refrigerator for little over 2 years and the freezer

⁷⁴ http://www.homedepot.com/p/LG-Electronics-29-7-cu-ft-French-Door-Refrigerator-with-Door-in-Door-and-CustomChill-Drawer-in-Stainless-Steel-

⁷³ http://www.lg.com/us/refrigerators/lg-LMXS30776S-french-4-door-refrigerator

LMXS30776S/205178498?cm_mmc=SEM|THD|google|D29+Appliances&mid=sTPzLWkmC|d c_mtid_8903tb925190_pcrid_47590676382_pkw_pmt_b_product_slid_&gclid=EAIaIQobCh MI34CGyLH61QIVBQhpCh3WVgMEEAAYBCAAEgKrpPD_BwE (visited August 25, 2017)

barely works (it will freeze then thaw), it barely keeps anything cool, and the ice maker is broken again! ..."⁷⁵

226. Likewise, with respect to Model No. LFXS24623S, purchased by Plaintiff Zelig:

a. On LG's own website, a consumer reported, "We've had the refrigerator for less than a week but have been disappointed by the ice maker. It seems only to dispense ice when you first open the ice maker up and physically manipulate the ice. That's really inconvenient..."⁷⁶

b. Also on LG's website, "LOOKS GREAT, DOOR MOUNTED ICE MAKER IS A DISASTER ... The attempt at putting ice maker in the door was a horrible idea,

... [M]ore often than not the ice melts and then freezes back together, resulting in a giant block of useless ice cubes."⁷⁷

c. Also on LG's website, "14 months and the ice maker is broken. No parts for this-have to replace the entire unit."⁷⁸

d. And, on Lowe's website, "Icemaker broke in 6 months. ... My ice maker broke and it was nice it was under warranty but the tech who fixed said all his calls on this

⁷⁵ http://www.homedepot.com/p/LG-Electronics-29-7-cu-ft-French-Door-Refrigerator-with-Door-in-Door-and-CustomChill-Drawer-in-Stainless-Steel-

LMXS30776S/205178498?cm_mmc=SEM|THD|google|D29+Appliances&mid=sTPzLWkmC|d c_mtid_8903tb925190_pcrid_47590676382_pkw_pmt_b_product_slid_&gclid=EAIaIQobCh MI34CGyLH61QIVBQhpCh3WVgMEEAAYBCAAEgKrpPD_BwE (visited August 25, 2017)

⁷⁶ http://www.lg.com/us/refrigerators/lg-LFXS24623S-french-3-door-refrigerator (visited August 25, 2017)

⁷⁷ http://www.lg.com/us/refrigerators/lg-LFXS24623S-french-3-door-refrigerator (visited August 25, 2017)

⁷⁸ http://www.lg.com/us/refrigerators/lg-LFXS24623S-french-3-door-refrigerator (visited August 25, 2017)

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refrigerator are for the same issue. So now my concern is that it will keep breaking and I will have to start paying to fix."⁷⁹

227. The same Ice Maker Defect is also found in a host of Defendant's other models with ice dispensers.

228. For example, with respect to Model LFXS30726S, a slightly larger but otherwise identical version of the Refrigerator purchased by Plaintiff Jung (indeed, the two Refrigerators share a user manual), the following were among the reviews posted on the various consumer and retail websites:

a. "...The ice maker has had trouble, it has been replaced once with a new one. That worked fine for a while *and then the same problem, ice maker clogs up*..."⁸⁰

b. "Do not buy this refrigerator. *We have had countless problems with ice maker*, and noisy motor. We are forced to defrost the refrigerator every two months to get the noise to go away. Tech service has been no help. I will never buy an LG appliance again."⁸¹

c. "We've had this refrigerator for about 2 years and have had repeated problems with it. Cannot recommend to anyone - - for the very high price, the build quality is terrible. Several instances of the freezer failing. Numerous service calls. *Ice maker constantly freezes up and will not dispense ice*..."⁸²

⁷⁹ https://www.lowes.com/pd/LG-24-2-cu-ft-French-Door-Refrigerator-with-Ice-Maker-Stainless-Steel-ENERGY-STAR/50273973 (visited August 25, 2017)

⁸⁰ http://www.homedepot.com/p/LG-Electronics-29-8-cu-ft-French-Door-Refrigerator-in-Stainless-Steel-LFXS30726S/205343283?keyword=LFXS30726S

⁸¹ http://www.homedepot.com/p/LG-Electronics-29-8-cu-ft-French-Door-Refrigerator-in-Stainless-Steel-LFXS30726S/205343283?keyword=LFXS30726S

⁸² http://www.homedepot.com/p/LG-Electronics-29-8-cu-ft-French-Door-Refrigerator-in-Stainless-Steel-LFXS30726S/205343283?keyword=LFXS30726S

d. "…Problems are as follows after three weeks of ownership 1Ice maker jammed would not dispense ice. Technician showed up had to order mother board. order mother board. 2 Mother board replaced and now the water dispenser won't work and the temp is off by 10 degrees. 3 Technician shows up and said it is completely unrepairable. 4 Called LG for a replacement and the "games" started. I called a total of 20 times to get a replacement. …5 *Got my new LG replacement and within 3 days the ice maker broke same issues*. …³⁸³

e. "...Noticed that ice maker stopped making ice right away. I looked and found the water had overfilled(?) in the ice maker and a little had ran out and frozen on the sensor bar. Broke everything loose and the ice maker started working again. This has happened several times since, but I have not called. In the last 3 days, it happened everyday, so I called. Tech support says it probably has a crack in it, and they are sending a crew with a replacement next week. We will see...."⁸⁴

229. Similarly, with respect to Model LFXS29766S, the model purchased by Plaintiff Hernandez:

a. "Have only had the refrigerator for a month and both ice makers do not

work, the water spout quit working shortly after that, and the inside door keeps swinging open when the door is open without being released. Not happy for the price I paid.³⁵

b. "Do not buy LG refrigerators, they are garbage. We purchased a high end LG french door refrigerator three years ago. *The entire first year they were out to do repairs and*

⁸³ http://www.homedepot.com/p/LG-Electronics-29-8-cu-ft-French-Door-Refrigerator-in-Stainless-Steel-LFXS30726S/205343283?keyword=LFXS30726S

 ⁸⁴http://www.homedepot.com/p/LG-Electronics-29-8-cu-ft-French-Door-Refrigerator-in-Stainless-Steel-LFXS30726S/205343283?keyword=LFXS30726S (visited August 25, 2017)
 ⁸⁵ https://www.bestbuy.com/site/lg-door-in-door-28-6-cu-ft-french-door-refrigerator-with-thru-the-door-ice-and-water-stainless-steel/8267205.p?skuId=8267205 (visited August 25, 2017)

"fix" the incredibly loud compressor -- it was so loud, most of the time we couldn't hear our tv in the next room. Then in April, it stopped making ice because it wasn't getting cold enough to make ice, and then stopped cooling completely. We dealt with LG to come repair it, only to have the same exact thing happen the next month. They came out again, "repaired" it, and it worked for another month before crapping out again. If it sounds like a joke, its not, because now for the fourth month in a row, the SAME PROBLEM. This time LG disconnected me after being on hold for 45 minutes." ⁸⁶

230. In addition, with respect to Model LFX32945ST, another French door model with the Slim SpacePlus® ice maker:

a. "This has to be the worst refrigerator I have had in all my 40 years of owing refrigerators. Have only been using this for 5 months and already it has issues. First issue is with the ice maker, it always jams, and holds back the ice so you must manually hold open the flap to get your ice. And crushing the ice makes it worse yet! Most of the time we have to just empty the ice maker and forget about using the ice dispenser... We are all grown ups living here and have not misused or been rough on this appliance, this is obviously very cheaply made and has a design problem with the ice maker. For the price we had to pay for this it is totally unacceptable for such poor quality."⁸⁷

231. Similar complaints relate to model LG LFXS32766S, another French door, ice dispenser in door model:

⁸⁶ http://www.homedepot.com/p/LG-Electronics-28-5-cu-ft-French-Door-Refrigerator-with-Door-in-Door-and-Dual-Ice-Makers-in-Stainless-Steel-LFXS29766S/205343223?keyword=LFXS29766S (visited August 25, 2017)

⁸⁷ http://reviews.us-appliance.com/review/lfx32945st/LFX32945ST-LG-Mega-Capacity-3Door-French-Door-Refrigerator-with-DoorInDoor-Stainless-Steel
a. *"We had this refrigerator just over a year when the icemaker died. I replaced it*, then it started leaking. A service call (at our expense, but then waived when he found *out it was a known defect in this model*) was then required as the refrigerator doors wouldn't close properly due to ice buildup. ...*Get used to seeing "E 1F" when the blower fan in the freezer that supplies cold air to the icemaker compartment becomes caked in ice and doesn't work*. ... This was the biggest waste of money and time for any refrigerator we've ever owned. We'll never buy another LG!"⁸⁸

b. "The icemaker is extremely slow, gets frosted up easily and just ices up and sticks so you have to clean it out with hot water. After a few years the Icemaker part broke a piece out so I ordered a new one (\$172.00) *hoping that some of the problems would be better*, *but no such luck*. It is a lemon I will never buy an LG again."⁸⁹

c. "...In simple language it was/is a NIGHTMARE of *8 service calls to replace features multiple times* - Ice maker, Main Circuit panel, Freezer drawer back fan panel. two Food loss claims and a broke in half door shelf and a couple more aggravations in the four years with only good item is the extended warranty but not the service company responses...."⁹⁰

d. "Worst ice maker ever!!!!!! I will NEVER buy another LG again, the ice maker stops up every time I use it, very poor design!!!!!"

⁸⁸http://www.consumerreports.org/products/french-door-refrigerator/lg-lfxs32766s-285048/user-reviews/#pr-header-back-to-top-link

⁸⁹http://www.consumerreports.org/products/french-door-refrigerator/lg-lfxs32766s-285048/user-reviews/#pr-header-back-to-top-link

⁹⁰http://www.consumerreports.org/products/french-door-refrigerator/lg-lfxs32766s-285048/user-reviews/#pr-header-back-to-top-link

⁹¹ http://www.homedepot.com/p/LG-Electronics-32-cu-ft-French-Door-Refrigerator-with-Door-in-Door-in-Stainless-Steel-

LFXS32766S/205339435?cm_mmc=Shopping|THD|google|D29+Appliances&mid=st88LmRyy|

232. For Model LFX28968ST, another French door model with the Slim SpacePlus® ice maker:

"...Life is NOT good with this particular fridge. Before warranty was over a. the plastic shelves on door began cracking and chipping, the ice maker in the door does not work. It freezes up and does not crush ice, and you cannot remove the bucket that the ice *drops into*....⁹²

b. "The ice maker on the first one we bought would refuse to dispense ice intermittently. The dispenser motor would not run - nothing would happen when the ice button was pushed. The whole refrigerator was replaced with a new one. *It has the same problem*....⁹³

"... have only had it for 5 months and we had to have the service man c. come and fix the ice maker as it was frozen solid. (agree with other reviewer that you have to bang on the ice door to loosen the ice.)..."⁹⁴

233. For Model LFX21976ST, another French door model with the Slim SpacePlus® ice maker:

"These icemaker break shortly after the manufacturers warranty. Then a.

LG will gladly allow you to pay an additional 400 for their out-of-warranty warranty for an additional year and cross your fingers it doesn't break again. If you enjoy donating large sums of

dc mtid 8903tb925190 pcrid 47645856702 pkw pmt product 205339435 slid &gclid=CJ nqu9vFwNMCFRZMDQodulAN6g ⁹² https://www.consumeraffairs.com/homeowners/lg_refrigerator.html?page=14

⁹³ http://www.homedepot.com/p/LG-Electronics-26-8-cu-ft-French-Door-Refrigerator-in-Stainless-Steel-LFX28968ST/203288935

http://www.homedepot.com/p/LG-Electronics-26-8-cu-ft-French-Door-Refrigerator-in-Stainless-Steel-LFX28968ST/203288935

money to companies that don't stand by their product, carry on with four purchase, otherwise try a different brand."⁹⁵

b. "...*The ice maker gets jammed up all the time*. We're not sure why. It can be resolved by pulling the thole thing out and breaking up the ice with a wooden spoon, but this is very annoying to have to do...."⁹⁶

c. "… In actual day to day use, even kid glove treatment, it will fail. Water and ice are not user friendly. Ice dams up constantly, does not make enough ice to supply more than 2 or 3 people in a house. … Strongly advise avoiding LG appliances."⁹⁷

234. As to Model LFX25974ST, another French door model with the Slim SpacePlus® ice maker:

a. "...Ice maker never dispensed ice well. Always have to open and break

up ice. Then the ice maker quit dumping the ice which then lead to it no longer freezing ice along with the freezer bottom no longer freezing food. So we no longer have ice maker or a freezer on it. Bad design: the water spout is on the front instead of in the water/ice hole...⁹⁸

b. "We chose this LG refrigerator thinking it was the latest. Well I do not know if it is a bad design but *we constantly are having trouble with the icemaker. It almost never dispenses*, we have to open it up to get it going. Even if it did function properly the ice

LFX21976ST/202362224?bvrrp=1999/reviews/product/2/202362224.htm

⁹⁶http://www.homedepot.com/p/LG-Electronics-19-8-cu-ft-French-Door-Refrigerator-in-Stainless-Steel-Counter-Depth-LFX21976ST/202362224?keyword=LG+LFX21976

⁹⁵ http://www.homedepot.com/p/LG-Electronics-19-8-cu-ft-French-Door-Refrigerator-in-Stainless-Steel-Counter-Depth-

⁹⁷ http://www.consumerreports.org/products/french-door-refrigerator/lg-lfx21976-st-159373/overview/

⁹⁸http://www.consumerreports.org/products/french-door-refrigerator/lg-lfx21976-st-159373/overview/?page=6

reservoir is to small. If we have 3 people over we run out of ice. Had my old refrigerator for 16 years never any problems. Although it looks nice ended up downgrading with the new LG." ⁹⁹

c. "I bought this refrigerator three years ago. It is worthless. … *The ice maker jams constantly and falls apart. Literally into pieces and needs to be re assembled.* Don't waste your money. This is the worst excuse for an appliance I have seen in a while."¹⁰⁰

235. For Model LFXS30766S:

a. "...I connected the water line (their delivery crews do NOT do water line hookups), and neither the water dispenser *nor ice maker work*."¹⁰¹

b. "...Ice piles up in the delivery chute and plugs it up. The service guy came out and replaced the ice maker and the same problem occurred. I would take my 24 year old refrigerator back instead of this poorly designed refrigerator *LG* is aware of the problem and is apparently willing to do nothing...."¹⁰²

Defendant's Omissions and Misrepresentations Relevant to the Defects

236. Defendant's sale of the Defective Refrigerators is particularly egregious due to its knowing omissions about and concealment of the Defects. Defendant's unfairness to consumers in selling these models is further exacerbated by the actual misrepresentations that it made in its marketing and promotion of the defective Refrigerators.

⁹⁹ http://www.bestbuy.com/site/lg-24-7-cu-ft-french-door-refrigerator-with-thru-the-door-iceand-water-stainless-steel/2869309.p?skuId=2869309

http://www.consumerreports.org/products/french-door-refrigerator/lg-lfx21976-st-159373/overview/

¹⁰¹ http://www.homedepot.com/p/LG-Electronics-30-cu-ft-French-Door-Refrigerator-with-Door-In-Door-Design-in-Stainless-Steel-LFXS30766S/205339940

¹⁰² http://www.homedepot.com/p/LG-Electronics-30-cu-ft-French-Door-Refrigerator-with-Door-In-Door-Design-in-Stainless-Steel-LFXS30766S/205339940

237. First, Defendant never publicly disclosed the Cooling Defect. No consumer wants to buy a refrigerator that cannot be relied on to keep food at appropriate temperatures. Defendant had numerous opportunities to warn of the Defect via its website, in brochures or advertisements, or at the point of sale. Instead, Defendant actively concealed the problems with the Refrigerators of which it was aware. Had Defendant disclosed the Defect, consumers would not have been injured.

238. Likewise, Defendant never publicly disclosed the nature and extent of the Ice Maker Defect. At all times it omitted from all communications the reality that the Refrigerators suffered from a Defect that created a high likelihood that if the ice makers were used normally and in an ordinary manner, they would clog and cease to dispense ice.

239. In addition to its omissions, Defendant has made actual misrepresentations disseminating false and misleading information about its Refrigerators relating to each of the Defects on its own website. Substantially similar information appears on the websites of many of the retailers that sell the Refrigerators, and on information and belief Defendant is the source of that information.

240. The placement of false information on the Internet is particularly important because a significant majority of consumers conduct online research before purchasing a major appliance such as a refrigerator. Manufacturers' and retailers' websites are the most convenient and comprehensive places for consumers to obtain specific information about the features of particular models, their specifications and prices, and to perform comparisons between options. Defendant was the prime, if not only, source of that information for the Refrigerators.

241. Defendant uniformly represented and continues to represent that its Refrigerators are high end and high functioning. On its own website (of which its retailers' websites replicate

significant portions and/or to which they contain links, as described below), Defendant informs consumers that the Refrigerators provide "superior" cooling, temperature regulation and airflow for freshness. Defendant also indicates that consumers can have "Peace of Mind" as to the longevity of their Refrigerators. Moreover, Defendant conceals this known Defect rather than disclosing it to consumers.

242. Defendant's website for all of the Refrigerators either include a video to promote Defendant's "Smart Cooling® Plus System" (a system that purportedly moves cold air to keep food at appropriate temperature), or set forth text with substantially similar language, which is false and misleading in light of the Cooling Defect that renders these Refrigerators likely to fail in regulating temperature properly.

243. Defendant's web pages for most of the Refrigerators, including those of Plaintiff Jung, Hillegas and Saber (LFXC24726S) as well as others such as LFXS30726S, LFXS32766S and, LFXS30766S, include the video and the following associated voiceover:

Fresher is better. To help keep all your favorites fresh longer, the LG Smart Cooling® System helps keep food at correct consistent temperatures. The average household wastes \$1,800 in food per year mainly due to a loss of freshness, but not all refrigerators have the same ability to preserve food. LG refrigerators have digital sensors inside the fresh food section that closely monitor temperature and humidity levels. When changes are detected LG's Linear Compressor and Dual Evaporator quickly react to help maintain optimal conditions and keep food at its peak. ... LG's technology uses well placed vents in every section to surround your food with cool fresh air no matter where you put it ... No wonder LG's Smart Cooling® system is the freshest idea in refrigeration.

244. The following screen shot illustrates Defendant's webpage for the Refrigerators with the video:¹⁰³





¹⁰³ These screenshots were taken from LG's website, http://www.lg.com/us/refrigerators/lg-LFXC24726S-french-3-door-refrigerator, on March 2, 2017. The same video is also posted on LG's websites for other models of its refrigerators with the Smart Cooling Plus System. *See*, *e.g.*, http://www.lg.com/us/refrigerators/lg-LFXS30726S-french-3-door-refrigerator.

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246. This video also touts the Refrigerators ability to circulate fresh cold air around the food:¹⁰⁴



¹⁰⁴ This is a screenshot taken from http://www.lg.com/us/refrigerators/lg-LFXS32766S-french-3-door-refrigerator on September 3, 2017.

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247. On webpages that do not actually include the video, Defendant nonetheless includes the key language that is in the videos. For example, the page for Models LFXS24623S (purchased by Plaintiff Zelig) and LFX25974 says the "Smart Cooling® system is designed to maintain superior conditions within the refrigerator. The Linear Compressor reacts quickly to temperature fluctuations and helps keep your food fresher, longer. Meanwhile, strategically-placed vents in every section surround your food with cool air no matter where you put it."¹⁰⁵ Similarly, the page for Model LFXS29766S (purchased by Plaintiff Hernandez says, "The Smart Cooling® System is designed to maintain superior humidity and temperature level."¹⁰⁶

248. Many websites of the stores that sell the Refrigerators, including Costco.com and AJMadison.com, contain links to LG's Smart Cooling® Plus video. Other websites that do not contain actual links to the video, nonetheless contain key language in their product features descriptions, such as, on bestbuy.com:

Smart Cooling® Plus technology quickly adjusts to internal changes. The Linear Compressor and Dual Evaporators react swiftly to humidity and temperature levels, maintaining the right conditions for produce and other groceries.¹⁰⁷

And, similarly, on homedepot.com:

Smart Cooling[®] Plus technology maintains superior conditions within the refrigerator. The Linear Compressor and Dual Evaporators react quickly to humidity and temperature levels and help keep your food fresher, longer. Strategically-placed vents in every section surround food with cool, fresh air.¹⁰⁸

¹⁰⁵ http://www.lg.com/us/refrigerators/lg-LFXS24623S-french-3-door-refrigerator.

¹⁰⁶ http://www.lg.com/us/refrigerators/lg-LFXS30726S-french-3-door-refrigerator

¹⁰⁷ http://www.bestbuy.com/site/lg-24-0-cu-ft-counter-depth-french-door-refrigerator-with-thruthe-door-ice-and-water-stainless-

steel/7902449.p?skuId=7902449&extStoreId=&ref=212&loc=1&ksid=124a59eb-ceb8-450ebf71-e89a129d50ae&ksprof_id=13&ksaffcode=pg199538&ksdevice=c&lsft=ref:212,loc:2

¹⁰⁸ http://www.homedepot.com/p/LG-Electronics-23-7-cu-ft-French-Door-Refrigerator-in-Stainless-Steel-Counter-Depth-

LFXC24726S/205343795?cm_mmc=Shopping|THD|google|D29+Appliances&mid=syealFZVr|d

249. All of the foregoing statements are false and misleading due to the Cooling Defect. The Refrigerators were designed and manufactured with a defect that made their fans likely to stop circulating air throughout the units, and thus it is highly unlikely that they can be relied upon to, as promised, "Maintain Optimal Temperature and Humidity Levels."

250. With respect to the Ice Maker Defect, Defendant's website and those of its vendors also contain misrepresentations and material omissions. More specifically, they represent these Refrigerators as including "Ice Dispenser" and/or "Ice and Water Dispenser" units, and state that these units will produce a certain amount of ice per day. This is misleading given that the units are designed and/or manufactured with a Defect they have at the time they leave the manufacturer's possession, making the Refrigerators extremely likely to routinely experience melting and refreezing of the ice into large pieces that block the ice dispenser. Defendant's misstatements and omissions about the ice makers are further misleading because they do not disclose the likelihood that even if the ice makers are used as an ordinary consumer would use them, they will freeze over and stop dispensing ice until they are defrosted or the ice is manually broken up and removed.

251. And, as to both Defects, Defendant also misrepresents the expected longevity of all of the Refrigerators at issue. A key factor that consumers consider in making purchasing decisions, particularly with respect to products like the Refrigerators that cost thousands of dollars, is how long they can be expected to last. Defendant falsely represents that purchasers of its Refrigerators didn't have to "worry that it won't last," offering "peace of mind."¹⁰⁹ Indeed,

c_mtid_8903tb925190_pcrid_156359935361_pkw_pmt_product_205343795_slid_&gclid=C MitlsqRyNMCFRJXDQodjwMKIw

¹⁰⁹ See, e.g., http://www.lg.com/us/refrigerators/lg-LFXS30726S-french-3-door-refrigerator.

Defendant implies that its Refrigerators would last at least ten years by recognizing the

importance that consumers would place on continued functionality:

Peace of Mind. When you buy a refrigerator, you don't want to worry that it won't last. Because the Linear Compressor uses fewer moving parts and operates more efficiently, Defendant confidently backs the Linear Compressor with a 10-year limited warranty.

(emphasis supplied).

252. A screen shot of the message appears below: 110



253. In contrast to Defendant's representation of "peace of mind," the Refrigerators routinely fail within just a few years of purchase due to the Defects.

Defendant's Repair Warranties and Inapplicable Limitations Periods

254. Defendant provides a one year warranty for parts and labor for the Refrigerators

(other than the linear compressor), a seven year parts-only warranty for the "Sealed System"

¹¹⁰ To the extent any of Defendant's webpages for a particular model of Refrigerator do not contain the exact language quoted above, they nonetheless have this warranty.

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(which includes the condenser, dryer, connecting tube, refrigerant and the evaporator), and the 10 year parts warranty for the linear compressor. These warranties are provided on Defendant's website, and are distributed with each and every Refrigerator sold.

255. Defendant's warranties do not cover, at any time, "[s]ervice trips to deliver, pick up, install, or repair the product; instruct the customer on operation of the product; repair or replace fuses or correct wiring or plumbing, or correction of unauthorized repairs/installation," and, after the first year, it covers no labor at all.¹¹¹

256. As detailed herein, there are numerous reports of Refrigerators failing shortly after the one-year warranty period. The frequency with which this occurs suggests knowledge and intent on the part of Defendant to limit the warranty period in a manner that is unfair to consumers due to the unequal balance of knowledge about the Defect.

257. Any efforts to limit the implied warranties in a manner that would exclude coverage of the Refrigerators is unconscionable, and any such effort to disclaim, or otherwise limit, liability for the Refrigerators is null and void.

258. Any limitations on the warranties are procedurally and substantively unconscionable. Defendant knew that the Refrigerators were defective and likely to fail shortly after the warranties purportedly expired. Defendant failed to disclose the Defects to Plaintiffs and the other Class members. Moreover, Defendant was aware of, but did not disclose, the Defects would have a propensity to occur again after repair. There was unequal bargaining power between the Defendant, on the one hand, and Plaintiffs and the other Class members, on the other. The process of the formation of the contract was thus unfair and the terms are

¹¹¹ See, e.g., Owners' Manual for LFXS30726* / LFXC24726* at 55-56 (available at http://www.lg.com/us/support-product/lg-LFXC24726S#manuals).

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excessively disproportionate. Defendant's enforcement of the durational limitations on those warranties would be harsh and unconscionable.

259. For the same reason described in the preceding paragraph, to the extent there is any notice requirement imposed by law, notice is excused because Defendant has (and had) actual knowledge of the Defects in the Refrigerators that result in their failure to keep food at appropriate temperatures and their failure to make or maintain ice or dispense ice as Defendant warranted they would; therefore notice to Defendant has been, is and will be futile in that Defendant is unable to cure the Defects.

Plaintiffs' Experiences are Consistent with those of the Class

<u>Plaintiff Jung</u>

260. Plaintiff Jung purchased his LG Refrigerator, Model LFXC24726, after reviewing information about the Refrigerator on Defendant's website. Plaintiff Jung reviewed and considered each of the product descriptions, videos concerning the Smart Cool System, the 10-year warranty for the Linear Compressor, and the description of the ice maker, described above. Plaintiff also read the product description on Costco's website, and the product specifications sheet at Best Buy, both of which include text substantively identical to relevant text on Defendant's website. He relied on this information in purchasing his Refrigerator.

261. Plaintiff Jung purchased the Refrigerator for ordinary use in his family residence, and used it as intended. He reasonably expected his Refrigerator to last for at least several years and to perform its essential functions.

262. Plaintiff Jung paid \$2,599.99 for his Refrigerator. He also paid \$174.99 for an extended warranty from an affiliate of Best Buy. Although he has been able to use this warranty to cover the repair of his Refrigerator Fan thus far (described below), it is common for the

Cooling Defect to manifest itself again after a Refrigerator has been "repaired" (*see e.g., supra*, at ¶¶ 207(c), (d), (f), (g); 216(b), (c), (e); 218; 221(b)). Moreover, his problems with the Ice Maker Defect (described below, *see infra* ¶¶ 274-275) are ongoing, and it is common for this Defect to reoccur after repair. *See, e.g., supra*, at ¶¶ 223(a), (b), (i); 228(a), (d); 232(b); 234(b). Plaintiff Jung thus continues to own a Refrigerator with design and/or manufacturing Defects that make it likely to fail prematurely. He has received less than what he paid for and less than what he was led to believe he was purchasing.

263. In mid-January 2017, approximately one and a half years after purchase, the Refrigerator fan began to make a loud clicking sound. The noise continued for approximately three days, at which point the fan motor stopped running entirely, and stopped circulating cold air throughout the Refrigerator.

264. An error code on the Refrigerator's electronic display appeared indicating that there is a fan problem for which there is no troubleshooting remedy available. This problem occurred shortly after the end of the one year manufacturer's warranty period, although within the period of the extended warranty for which Plaintiff Jung had paid extra.

265. Plaintiff Jung subsequently contacted Defendant and Defendant confirmed a problem with the refrigerator fan. On Monday, January 17, 2017, an authorized LG service technician came to Plaintiff Jung's house to look at the Refrigerator for the first of several visits. The service technician made no actual repairs during that visit, but merely ordered parts that were to arrive on January 18, 2017. Plaintiff Jung's wife took a day off of work to facilitate the service repair call.

266. On January 18, 2017, the service technician was unable to complete the repair because only one of the two fans that were needed had arrived.

267. On January 20, 2017, the date by which the parts were supposed to arrive, Plaintiff Jung's wife was required to take a second day off of work to wait for the delivery of the second fan, and again wait for a service technician.

268. The service technician began his work to repair Plaintiff Jung's Refrigerator that day. First, the food had to be removed from the refrigerator portion of the model. Then the technician examined the back vents and walls of the Refrigerator and determined that both of the fans in Plaintiff Jung's Refrigerator were encrusted in ice. The service technician subsequently defrosted the area around the fans with a heat gun before he could remove the fans.

269. The repair technician observed that Plaintiff Jung was fortunate that his refrigerator had worked as long as it had without repair.

270. The following image is a photo – taken by Plaintiff Jung's wife – of the service technician using the heat gun to melt ice off of the fans:



271. The service technician subsequently removed large chunks of ice from the fans and deposited them in Plaintiff Jung's kitchen sink, as illustrated in the picture below:



272. Plaintiff Jung has lost approximately \$750 in spoiled food due to the Cooling Defect. In addition, Plaintiff Jung and his wife devoted approximately six days of lost work time waiting for a service technician to ultimately address and fix the Defect.

273. While the fan in Plaintiff Jung's Refrigerator appears to have been at least temporarily repaired, given the number of individuals who have experienced a recurrence of the Defect, Plaintiff Jung cannot rely on the repair to ensure that his Refrigerator will not stop working again in the future due to the Cooling Defect. Thus, his Refrigerator is unable to perform its essential function.

274. In addition, beginning in April 2016, approximately 9 months after he purchased the Refrigerator, and on numerous occasions since the purchase, Plaintiff Jung has experienced the Ice Maker Defect. His ice maker has frozen over, and he has had to remove the device and defrost it and/or break up blocks of ice and remove it manually. He has, on multiple occasions, experienced that his ice maker would not dispense ice until the above defrosting and/or manual ice removal procedure was conducted.

275. Below is an image of Plaintiff Jung's ice maker. The outside of the lower portion of the ice maker is visibly, completely blocked by a sheet of ice.



276. Plaintiff Jung would not have purchased the Refrigerator or would not have paid as much for it as he did, if he knew that the ice maker would frequently freeze over and become unusable and unable to perform its essential function.

277. As described above, Plaintiff Jung's experiences – from purchase, to experiences of the Defects, to struggles with customer service – have been identical to those reported by a multitude of consumers who purchased similar Refrigerators from Defendant, as reproduced *supra*.

<u>Plaintiff Montanye</u>

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278. Plaintiff Montanye's experiences with LG and LG's Refrigerators are similar with those of the Class.

279. In 2015, Plaintiff Montanye purchased an LG Refrigerator.

280. In the spring of 2017, Plaintiff Montanye noticed that his Refrigerator suddenly failed. The issue was diagnosed as a failed compressor, which is a manifestation of the Cooling Defect. His Refrigerator is unable to perform its essential functions.

281. Plaintiff Montanye lost hundreds of dollars in spoiled food.

282. When Plaintiff Montanye contacted LG, its representatives informed him that the Defect was not covered under the 12-month warranty.

283. Plaintiff Montanye was forced to seek alternative means of refrigeration, and his Refrigerator has still not been fixed.

284. Plaintiff Montanye would not have purchased the Refrigerator had he known that its useful life was short because of the Defects.

285. As detailed herein, Plaintiff's experiences with LG and its Refrigerator are similar to those of the Class.

Plaintiff Hillegas

286. Plaintiff Hillegas's experience is consistent with that of the Class.

287. He purchased the Refrigerator for ordinary use in his family residence, and used it as intended. He reasonably expected his Refrigerator to last for at least several years.

288. He paid approximately \$2239 for his Refrigerator.

289. Approximately 15 months after purchase, his Refrigerator stopped keeping food at appropriate temperatures. A refrigerator fan error code appeared on the display.

290. On September 3, 2016, he called LG for service. He was initially refused service under the warranty because he was three months past the warranty period. However, he then spoke to an LG supervisor who stated that the problem and error code were a known defect and agreed to provide warranty service. He was told by a warranty that the fan icing problem was caused by the Refrigerator's compressor.

291. The technician who ultimately came to Plaintiff Hillegas' home told him that he frequently has to repair defective compressors. He was also, otherwise, very rude.

292. This LG authorized technician ultimately did nothing other than defrost the Refrigerator and move the thermometer up eight inches.

293. Plaintiff Hillegas' family lost approximately \$400 in food on that occasion.

294. The work that had been performed was not a real repair, and did not resolve the problem. Three months later, in January 2017, Plaintiff Hillegas woke up to a warm refrigerator. He called customer service and was hung up on twice. He subsequently called a private repair company that replaced the motherboard for the Refrigerator at a cost of \$288. Plaintiff Hillegas and his family also lost \$400 in food in connection with this refrigerator failure.

295. Then, on May 23, 2017, Plaintiff Hillegas noticed ice buildup in the same locations it had built up previously. It took a few days to manually defrost the Refrigerator sufficiently to remove the liner for diagnosis. The only problem that the technician could find was torn pieces of insulation from removing the liner. He ordered replacements at a cost of \$290.

296. Once again, on August 9, 2017, Plaintiff Hillegas and his wife found ice building up inside their Refrigerator. They called yet another repairperson. After looking at the problem and reviewing the history, the repairperson said that the Refrigerator could not be repaired.

297. Unplugging the Refrigerator to temporarily defrost it is not a repair or a reasonable long term solution. Consumers purchasing expensive Refrigerators do not expect to be obligated to regularly turn them off to defrost so that they will work again. During the non-functioning and defrosting periods, the food that Plaintiff Hillegas purchased his Refrigerator to keep cold was exposed to improper temperatures.

298. Plaintiff Hillegas has, in conjunction with the Cooling Defect, also experienced his ice maker freezing over.

299. Plaintiff Hillegas would not have purchased the Refrigerator or would not have paid as much for it as he did if he knew of the undisclosed Defects.

300. As described above, Plaintiff Hillegas's experiences – from purchase, to experiences of the Defects, to struggles with customer service – have been identical to those reported by a multitude of consumers who purchased similar Refrigerators from Defendant, as reproduced *supra*.

The Oney Plaintiffs

301. The Oney Plaintiffs' experiences with Defendant and their LG Refrigerator are similar to those of the Class.

302. In September 2015, the Oney Plaintiffs purchased an LG Refrigerator from a furniture store in Texas.

303. In August 2016, the Oney Plaintiffs' ice maker failed as a result of the Ice Maker Defect.

304. By the time LG dispatched a technician, the issues escalated, and the Refrigerator stopped working due to the Cooling Defect. As a result, Plaintiffs lost hundreds of dollars in of food.

305. Because the Refrigerator was not immediately fixed, the Oney Plaintiffs were forced to purchase an alternative means of refrigeration; it costs Plaintiffs hundreds of dollars.

306. The Oney Plaintiffs then contacted LG again, and LG dispatched another technician. This technician attempted a repair of the Refrigerator. However, the Refrigerator failed again due to the Defects within a matter of days. The Plaintiffs lost hundreds of dollars in food, again.

307. The LG technician returned and installed a new compressor. However, a few months later, the Refrigerator failed a third time. Plaintiffs, yet again, lost hundreds of dollars in refrigerated food.

308. Another technician came out to fix the Oney Plaintiffs' Refrigerator. However, the technician diagnosed the Defect, but the technician did not make the repair because LG will not compensate the technicians enough to make the appropriate repair.

309. Ultimately, the Oney Plaintiffs' Refrigerator failed yet again. When the Oney Plaintiffs demanded a new Refrigerator, LG denied their request.

310. The Oney Plaintiffs would not have purchased the LG Refrigerator had they known it contained the Defects or would have paid significantly less for it.

311. As detailed herein, the Oney Plaintiffs' experiences with LG and their LG Refrigerator are similar to those experienced by other consumers who purchased Refrigerators.

Plaintiff Zelig

312. Plaintiff Zelig's experiences are similar to those of the other members of the Class.

313. On approximately April 8, 2016, Plaintiff Zelig purchased her LG Refrigerator, Model LFXC24623S, after reviewing information from Lowe's, Home Depot, and HH Gregg. She relied on this information in purchasing her Refrigerator.

314. Plaintiff Zelig purchased the Refrigerator for ordinary use in her family residence, and used it as intended. She reasonably expected her Refrigerator to last for at least several years.

315. Plaintiff Zelig paid \$1,998.90 for her Refrigerator.

316. Beginning approximately October 10, 2016, Plaintiff Zelig experienced problems with her ice maker as a consequence of the Ice Maker Defect. Ice freezes around the rubber gasket on the ice maker and prevents ice from coming out of the dispenser chute.

317. Plaintiff Zelig contacted LG while her Refrigerator was under warranty. LG is well aware of the problem and ultimately, extended her warranty, on March 10, 2017 an additional six months, to October 9, 2017.

318. Plaintiff Zelig's ice maker has been replaced four times under warranty. The most recent time it was replaced was August 24, 2017. Based on prior experience, she has no reason to expect that this replacement will address the Ice Maker Defect.

319. A consumer is not obligated to endlessly seek further repairs from a manufacturer when it becomes clear that adequate repair cannot be made.

320. Plaintiff Zelig would not have purchased the Refrigerator or would not have paid as much for it as she did if she knew of the undisclosed Ice Maker Defect.

321. As described above, Plaintiff Zelig's experiences – from purchase, to manifestation of the Defects, to struggles with customer service – have been identical to those reported by a multitude of consumers who purchased the Refrigerators from Defendant.

The Kvatek Plaintiffs

322. The Kvatek Plaintiffs experiences with Defendant and Defendant's Refrigerator are similar to those of the other Class Members.

323. In April 2015, the Kvatek Plaintiffs purchased an LG Refrigerator from a Home Depot store in Orlando, Florida.

324. In July 207, the Kvatek Plaintiffs' Refrigerator suddenly stopped functioning due to the Cooling Defect. The plaintiffs lost hundreds of dollars in refrigerated food, and the Defect jeopardized Plaintiffs' medications.

325. LG left the Kvatek Plaintiffs without refrigeration for over a month because the necessary parts were on indefinite backorder. Accordingly, the Plaintiffs were forced to refrigerate their goods using ice and coolers.

326. The Kvatek Plaintiffs would not have purchased the LG Refrigerator had they known about the Defects.

327. As detailed herein, the Kvatek Plaintiffs' experiences with their LG Refrigerator have been identical to those reported by the other consumers who purchased LG Refrigerators.

Plaintiff Hernandez

328. Plaintiff Hernandez, too, has experiences that are similar to those of the other members of the Class.

329. On June 27, 2015, Plaintiff Hernandez purchased her LG Refrigerator, Model LFXS29766S, after reviewing the LG website and the store brochure. She relied on this information in purchasing her Refrigerator.

330. Plaintiff Hernandez purchased the Refrigerator for ordinary use in her family residence, and used it as intended. She reasonably expected her Refrigerator to last for at least several years.

331. Plaintiff Hernandez paid approximately \$2,500 for her Refrigerator.

332. Plaintiff Hernandez, too, has also had numerous problems with her Refrigerator whereby it has failed to maintain food in the freezer compartment at appropriate temperatures and in which the ice maker has failed to produce ice.

333. She first experienced a problem with the freezer compartment failing to maintain food at appropriate temperatures in July 2017, approximately 24 months after she purchased her Refrigerator. She first experienced a problem with her ice maker in July 2017 approximately 24 months after purchasing her Refrigerator.

334. On approximately July 10, 2017, she contacted LG about the problems with her Refrigerator for the first time and told them that the ice maker and freezer were not working. She received a number of explanations for what might be causing the problems she was experiencing.

335. LG authorized service people have made multiple attempts to repair her Refrigerator. These repairs have not been successful. In addition, she has been told that parts needed to repair the Refrigerator were out of stock. At this time, the circuit board, which is one of the parts she had been told might address the Defects, has still not been replaced.

336. Plaintiff Hernandez would not have purchased the Refrigerator or would not have paid as much for it as she did if she knew of the undisclosed Defects.

337. As described above, Plaintiff Hernandez's experiences – from purchase, to manifestation of the Defects, to struggles with customer service – have been identical to those reported by a multitude of consumers who purchased similar Refrigerators from Defendant.

<u>Plaintiff Dzhurinskiv</u>

338. Similarly, Plaintiff Dzhurinskiy's experiences with LG and its Refrigerators are similar to those of the other members of the Class.

339. In May 2016, Plaintiff Dzhurinskiy purchased his LG Refrigerator online from Costco.

340. In early August 2017, Plaintiff Dzhurinskiy's Refrigerator suddenly stopped working. Plaintiff lost hundreds of dollars in refrigerated food.

341. After contacting LG and receiving no immediate assistance, Plaintiff Dzhurinskiy purchased and used a mini-refrigerator as an alternative means of refrigeration.

342. LG's representatives gave Plaintiff Dzhurinskiy contradictory responses, and Plaintiff spent countless hours on the phone with LG.

343. LG left Plaintiff Dzhurinskiy without refrigeration for a month. Plaintiff now faces a likelihood that the Defect will reoccur.

344. As detailed herein, Plaintiff Dzhurinskiy's experiences with Defendant and Defendant's Refrigerator are similar to other members of the Class as described in the numerous consumer complaints.

<u>Plaintiff Grishchenko</u>

345. Plaintiff Grishchenko's experiences are similar to those of the other members of the Class.

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346. In November 2014, Plaintiff Grishchenko purchased his LG Refrigerator, Model LMXS30776S, after reviewing the information about the Refrigerator's features that Defendant had posted on its website, including the Refrigerator's purported ability to "maintain superior conditions" and "keep food fresher longer." He had also read about Defendant's "Peace of Mind" guaranty offered for the Refrigerator's linear compressor because, as Defendant stated, "[w]hen you buy a refrigerator, you don't want to worry that it won't last." reviewing various YouTube advertisements describing the features of LG Refrigerators including an LG advertisement in which LG character "Dr. Wayne" discusses the compressor and a 10 year warranty. He relied on this information in purchasing his Refrigerator.

347. Plaintiff Grishchenko purchased the Refrigerator for ordinary use in his family residence, and used it as intended. He reasonably expected his Refrigerator to last for at least several years.

348. Plaintiff Grishchenko paid \$2,698.00 for his Refrigerator.

349. Plaintiff Grishchenko, too, has also had numerous problems with the Refrigerator in which it has failed to maintain food in the freezer compartment at appropriate temperatures and in which the ice maker has failed to produce ice.

350. He first experienced the Refrigerator failing in May 2016, approximately 18 months after he purchased the unit. He contacted LG and was told that the compressor was defective. As a result of the Cooling Defect, his Refrigerator failed to keep food at appropriate temperatures, or to produce ice. His compressor was replaced but soon failed again.

351. In July 2017, Plaintiff Grishchenko's Refrigerator stopped working. An LG technician advised him that the sealed cooling system failed. That cooling system has several parts including the compressor. The LG technician further informed Plaintiff Grishchenko that

problems with LG Refrigerators are extremely common, that compressor failures occur with great frequency, and that compressors are always on back order and thus not immediately available. He was told that the repair would cost \$425.

352. As of the filing of this complaint Plaintiff Grishchenko has not been able to obtain a repair for his Refrigerator.

353. Plaintiff Grishchenko would not have purchased the Refrigerator or would not have paid as much for it as he did if he knew of the undisclosed Defects.

354. As described above, Plaintiff Grishchenko's experiences – from purchase, to experiences of the Defects, to struggles with customer service – have been identical to those reported by a multitude of consumers who purchased the Refrigerators from Defendant.

Plaintiff Saber

355. Plaintiff Saber's experiences with LG and his LG Refrigerator are similar to those of other Class members.

356. In August 2014, Plaintiff Saber purchased an LG Refrigerator. It was delivered in November of 2014.

357. Within a few months, the Refrigerator's ice maker stopped working—a manifestation of the Ice Maker Defect. Plaintiff Saber called LG and LG sent a technician to repair his ice maker.

358. In December 2016, Plaintiff noticed that water was leaking from the ice maker onto the floor of his home. The ice maker failed again and caused the leak. Plaintiff Saber contacted LG, but LG refused to diagnose his Refrigerator with the Defect; rather, LG advised him to merely keep his Refrigerator doors closed.

359. The Refrigerator than leaked more, and the main Refrigerator got warm. The Cooling Defect caused the refrigerated to fail, and Plaintiff lost hundreds of dollars in refrigerated goods.

360. LG denied warranty coverage of Plaintiff Saber's Refrigerator, and he was forced to pay \$558.48 out-of-pocket to have his Refrigerator repaired.

361. However, the repair was not immediate because the parts were on backorder. Plaintiff Saber did not have refrigeration over the holiday season, and he was forced to cancel family events.

362. As detailed herein, Plaintiff Saber's experiences with Defendant and its Refrigerator are similar to those experienced by other consumers.

<u>Plaintiff Haggard</u>

363. Plaintiff Haggard's experiences with LG and his LG Refrigerator are similar to those of other Class members.

364. In September 2015, Plaintiff Haggard purchased an LG Refrigerator.

365. In May 2017, Plaintiff Haggard's Refrigerator stopped making ice. Similarly, the Refrigerator and its freezer were not holding their set cooling temperatures.

366. When Plaintiff contacted LG, LG informed him that his warranty had expired, but that he could purchase a warranty plan for \$454.57, which he did. Under that new agreement, LG dispatched a technician.

367. The technician diagnosed the Refrigerator with a failed compressor—the Cooling Defect. A week later another technician arrived and ordered the necessary replacement parts. The parts took a number of weeks to arrive. When the new replacement compressor arrived, it was not useable; so another compressor replacement was ordered.

368. Once the new part arrived and was installed, Plaintiff Haggard's Refrigerator only functioned for seventy-two hours before failing again.

369. Plaintiff Haggard again contacted LG, and it informed him that he could cancel his extended warranty and it would issue a refund for his Refrigerator. When he pursued this course of action, after he canceled the extended warranty, LG refused to send him a refund.

370. Plaintiff Haggard has suffered multiple Refrigerator failures, lost money in perishable food, endured the LG run-around, and spent countless hours on the phone with LG.

371. If Plaintiff Haggard would have known of the Defects, then he would not have purchased or would have paid significantly less for his LG Refrigerator.

372. As detailed herein, Plaintiff Haggard's experience with LG and his LG Refrigerator are similar to those experienced by other LG Refrigerator consumers.

The Williams Plaintiffs

373. The Williams Plaintiffs experiences with LG and their LG Refrigerator are similar to those of other Class members.

374. In late November 2014, the Williams Plaintiffs purchased an LG Refrigerator.

375. In July 2017, Plaintiffs noticed that their Refrigerator was no longer cooling and was increasing temperature. The Williams Plaintiffs immediately contacted LG.

376. Two days later, LG dispatched a technician pursuant to the extended warranty that the Williams Plaintiffs purchased. The technician stated that the compressor failed due to the Cooling Defect. The technician did not make any repairs because the necessary parts were on backorder.

377. The parts did not arrive for three weeks. The Williams Plaintiffs lived without refrigeration during that time. The Williams Plaintiffs require refrigeration to keep their son's

diabetes insulin at a cold, consistent temperature. The Williams Plaintiffs resorted to purchased bags of ice to refrigerate the insulin and their goods.

378. During this time, the Plaintiffs contacted LG and spent countless hours on the phone with LG representative, Plaintiffs also contacted LG via social media. LG offered no assistance.

379. After three weeks, LG repaired the Williams Plaintiffs' Refrigerator. However, the Refrigerator failed again within twenty-four hours. This time, the Williams Plaintiffs were left for ten days without refrigeration.

380. Due to the multiple failures the Defects caused, the Williams Plaintiffs have lost hundreds of dollars in refrigerated goods, spent innumerable hours on the phone with LG, and suffer from the likelihood that the Refrigerator will fail again.

381. As detailed herein, the Williams Plaintiffs' experiences with LG and their LG Refrigerator are similar to those reported by other LG Refrigerator Consumers.

The Kania Plaintiffs

382. The Kania Plaintiffs' experiences with LG and their LG Refrigerator are similar to those of the other Class members.

383. The Kania Plaintiffs purchased an LG Refrigerator in mid-October 2015.

384. In early August 2017, the Kania Plaintiffs realized that their Refrigerator was not functioning when their freezer began to thaw. Plaintiffs immediately contacted LG. But, LG failed to remotely diagnose the Defect. Instead, LG offered to send out a technician at cost to the Kania Plaintiffs.

385. The Kania Plaintiffs instead called a local repair shop to evaluate their Refrigerator. The technician stated that the compressor had failed, but he advised the Kania Plaintiffs not to make the costly repair because the compressor would likely fail again.

386. The Kania Plaintiffs' Refrigerator has not been repaired as of August 31, 2017. The plaintiffs do not want to spend an exorbitant amount of money to repair a relatively new Refrigerator that is only likely to fail again.

387. As detailed herein, the Kania Plaintiffs' experiences with LG and their LG Refrigerator are similar to those of other LG Refrigerator consumers.

<u>Plaintiff Giff</u>

388. Plaintiff Giff's experiences with LG and his LG Refrigerator are similar to those of the other Class members.

389. In October 2015, Plaintiff Giff purchased an LG Refrigerator.

390. Within six months of purchase, Plaintiff Giff's Refrigerator's Ice Maker Defect manifested and stopped producing ice. He contacted LG, but LG failed to provide him with an effective solution.

391. In July 2017, Plaintiff Giff's Refrigerator stopped functioning. Plaintiff immediately contacted LG, and LG denied warranty coverage.

392. Plaintiff paid out-of-pocket for a new compressor. But a repair could not be made because the parts were on backorder. Plaintiff waited nearly a month for a replacement compressor. Plaintiff lost hundreds of dollars in refrigerated goods.

393. Because Plaintiff Giff did not have a means of refrigeration and no way of knowing if or when his Refrigerator would be repaired, he spent money on meals out and eventually purchased a spare refrigerator.

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394. When the replacement compressor arrived and was installed, it functioned for three days and then failed again.

395. Another part was ordered and installed. However, Plaintiff Giff has already lost hundreds in refrigerated food, spent money on alternative refrigeration, and suffers from the likelihood that the Refrigerator will fail again.

396. If Plaintiff Giff would have known of the Defects, then he would not have purchased the LG Refrigerator or would have paid significantly less for it.

397. As detailed herein, Plaintiff Giff's experiences with LG and his LG Refrigerator are similar to those of other LG Refrigerator consumers.

<u>Plaintiff Hardison</u>

398. Plaintiff Hardison, too, has experiences that are similar to those of the other members of the Class.

399. In April 2016, Plaintiff Hardison purchased his LG Refrigerator, Model LFXS27566, after reviewing on the websites of Home Depot and Sears, statements about the Refrigerator's features including the same videos that are on LG's own website which tout the Refrigerator's purported ability to "maintain superior conditions" and "keep food fresher longer." He relied on this information in purchasing his Refrigerator.

400. Plaintiff Hardison purchased the Refrigerator for ordinary use in his family residence, and used it as intended. He reasonably expected his Refrigerator to last for at least several years.

401. Like other Plaintiffs, Plaintiff Hardison has also had numerous problems with the Refrigerator in which it has failed to maintain food in the freezer compartment at appropriate temperatures and in which the ice maker has failed to produce ice.

402. He first experienced the problem with the Refrigerator failing in March 2017, approximately 11 months after he purchased the unit, and contacted LG promptly. The problem began with a grinding noise that Plaintiff Hardison's wife heard from the Refrigerator. Then the ice maker jammed and stopped dispensing ice, after which it stopped making ice entirely. After the ice maker failure, the freezer stopped keeping food frozen. Finally, the Refrigerator failed entirely.

403. Four months after Plaintiff Hardison initially contacted LG customer service, LG finally sent a repair technician to his home. That technician told him that the compressor in the Refrigerator was broken. He stated that there was a blockage in the compressor that caused the pressure in the Freon line to rise excessively. The technician instructed Plaintiff Hardison to unplug the Refrigerator due to a concern that if it was left in operation, it could explode. Due to the failure of his Refrigerator, he has had to purchase, for approximately \$80, a small dormitory style refrigerator as a temporary measure.

404. Plaintiff Hardison would not have purchased the Refrigerator or would not have paid as much for it as he did if he knew of the undisclosed Ice Maker Defect and Cooling System Defects.

405. As described above, Plaintiff Hardison's experiences – from purchase, to experiences of the Defects, to struggles with customer service – have been identical to those reported by a multitude of consumers who purchased the Refrigerators.

CLASS DEFINITION AND ALLEGATIONS

406. Plaintiffs bring this action on behalf of themselves and members of the following proposed classes (collectively, the "Class"):

• All persons in New Jersey who purchased one or more of Defendant's Refrigerators (the "New Jersey Class").

- All persons in California who purchased one or more of Defendant's Refrigerators (the "California Class").
- All persons in Florida who purchased one or more of Defendant's Refrigerators (the "Florida Class").
- All persons in New York who purchased one or more of Defendant's Refrigerators (the "New York Class").
- All persons in Texas who purchased one or more of Defendant's Refrigerators (the "Texas Class").
- All persons in Utah who purchased one or more of Defendant's Refrigerators (the "Utah Class").
- All persons in Maryland who purchased one or more of Defendant's Refrigerators (the "Maryland Class").
- All persons in Illinois who purchased one or more of Defendant's Refrigerators (the "Illinois Class").
- All persons in North Carolina who purchased one or more of Defendant's Refrigerators (the "North Carolina Class").
- All persons in Kansas who purchased one or more of Defendant's Refrigerators (the "Kansas Class").
- All persons in the United States who purchased one or more of Defendant's Refrigerators (the "Nationwide Class").¹¹²
- 407. Plaintiffs reserve the right to modify or amend the definitions of the Class during

or after discovery or at any other time during litigation.

408. This action has been brought and may properly be maintained on behalf of the Class proposed above under Federal Rule of Civil Procedure 23 ("Rule 23"), insofar as the Class meets all the requirements of Rule 23(a), (b)(2) and (b)(3):

¹¹² Excluded from the Class are Defendant, its parent, subsidiaries, officers, directors, agents and employees.

a. *Numerosity*: The members of the Class are so numerous that their individual joinder is impracticable. Plaintiffs are informed and believe that the proposed Class contains thousands of purchasers of the Refrigerators who have been damaged by Defendant's conduct as alleged herein. The precise number of Class members is unknown to Plaintiffs. The true number of Class members is known by Defendant through its records and/or by third-party retailers who sold the Refrigerators, however, and thus potential Class members may be notified of the pendency of this action by first class mail, electronic mail, and/or published notice.

b. Existence and Predominance of Common Questions of Law and Fact:

This action involves common questions of law and fact, which predominate over any questions affecting individual Class members. Common questions of law and fact include, but are not limited to, the following:

- i. Whether Defendant's claims about the Refrigerators discussed above are true, or are reasonably likely to deceive with regards to the cooling capacity and expected useful life of the Refrigerators;
- ii. Whether Defendant's omissions about the cooling capacity and expected useful life of the Refrigerators are likely to deceive reasonable consumers;
- iii. Whether Defendant's omissions about the ice makers in Refrigerators are true or reasonably likely to deceive with regards to the functionality and expected longevity of the ice makers;
- iv. Whether Defendant knew of either Defect when it was making its misrepresentations and omissions;
- v. Whether the alleged conduct constitutes a violation of the New Jersey, Florida, California, New York, Texas, Utah, Maryland, Illinois and North Carolina consumer protection statutes;
- vi. Whether the alleged conduct constitutes a breach of the express warranties which exist between Defendant and Plaintiffs and other members of the Class;
- vii. Whether the alleged conduct constitutes a breach of the implied warranties which exist between Defendant and Plaintiffs and other members of the Class;
- viii. Whether Plaintiffs and Class members have sustained ascertainable loss and the proper measure of that loss;
- ix. Whether Plaintiffs and Class members are entitled to equitable relief as a result of Defendant's conduct, and if so, the proper form of that relief; and
- x. Whether Plaintiffs and Class members are entitled to injunctive relief.

c. *Typicality*: Plaintiffs' claims are typical of the claims of the other members of the Class because, *inter alia*, all Class members were injured through the uniform misconduct described above, and all Class members were subject to Defendant's deceptive statements and omissions about the Refrigerators and the Defects. Plaintiffs are advancing the same claims and legal theories on behalf of themselves and all members of the Class.

d. *Adequacy of Representation*: Plaintiffs will fairly and adequately protect the interests of the members of the Class. Plaintiffs have retained counsel experienced in complex consumer class action litigation, and Plaintiffs intend to prosecute this action vigorously. Plaintiffs have no adverse or antagonistic interests to those of the Class.

e. *Superiority*: A class action is superior to all other available means for the fair and efficient adjudication of this controversy. The damages or other financial detriment suffered by individual Class members is relatively small compared to the burden and expense that individual litigation would entail. It would thus be virtually impossible for the Class, on an individual basis, to obtain effective redress for the wrongs done to them by Defendant. Furthermore, individualized litigation would create the danger of inconsistent or contradictory judgments arising from the same set of facts. By contrast, the class action device provides the

benefits of adjudication of these issues in a single proceeding and presents no unusual management difficulties under the circumstances here.

409. Unless a Class is certified, Defendant will retain monies received as a result of its conduct that were taken from Plaintiffs and Class members. Unless a Class-wide injunction is issued, Defendant will continue to commit the violations alleged, and the members of the Class and the general public will continue to be deceived.

COUNT I

Violation of New Jersey Consumer Fraud Act By Plaintiffs Jung and Montanye Individually and on Behalf of the New Jersey Class

410. Plaintiffs Jung and Montanye repeat and reallege the allegations contained in ¶¶ 1-409 above as if set forth fully herein.

411. The New Jersey Consumer Fraud Act ("NJCFA") was enacted and designed to protect consumers against unfair, deceptive and fraudulent business practices. N.J. Stat. Ann. § 56:8-1 *et seq*.

412. N.J. Stat. Ann. § 56:8-2 provides:

The act, use or employment by any person of any unconscionable commercial practice, deception, fraud, false pretense, false promise, misrepresentation, or the knowing, concealment, suppression, or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale or advertisement of any merchandise or real estate, or with the subsequent performance of such person as aforesaid, whether or not any person has in fact been misled, deceived or damaged thereby, is declared to be an unlawful practice...

413. Plaintiffs Jung and Montanye, other members of the New Jersey Class, and Defendant are "persons" within the meaning of the NJCFA.

414. The Refrigerators manufactured and sold by Defendant are "merchandise" within the meaning of the NJCFA, and Plaintiffs Jung and Montanye and other members of the New Jersey Class are "consumers" within the meaning of the NJCFA and thus entitled to the statutory remedies made available in the NJCFA.

415. Defendant, through its marketing and sale of the Refrigerators, used unconscionable commercial practices, deception, fraud, false pretense, false promise, misrepresentation and willful omission in violation of the NJCFA in connection with the marketing and sale of the Refrigerators, as alleged above. In the course of business in the marketing and sale of the Refrigerators, Defendant actively misrepresented the quality of the Refrigerators and their component parts, including their compressors, fans, and ice makers, as well as their capacity to maintain food at appropriate temperatures and used unconscionable commercial practices, deception, fraud, false pretense, false promise, misrepresentation and willful omission in violation of the NJCFA in connection with the marketing and sale of the Refrigerators, as alleged above.

416. Moreover, Defendant engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, unfair practices and/or concealment, suppression or omission of material facts with intent that others rely upon such concealment or misstatement in connection with the sale of its Refrigerators. Defendant also knowingly concealed, suppressed and consciously omitted material facts to Plaintiffs Jung and Montanye and other members of the New Jersey Class knowing that consumers would rely on the limited information available which excluded information about the Defects, to make decisions as to the purchase of the Refrigerators.

417. Pursuant to N.J. Stat. Ann. §56:8-20, a copy of the initial Complaint in this matter, which included claims under the NJCFA, was mailed to the Attorney General of the State of New Jersey within ten days of the filing of that Complaint.

418. Defendant's misrepresentations and omissions were material and were intended to, and likely to, deceive a reasonable consumer.

419. The foregoing acts, misrepresentations, omissions and practices directly, foreseeably and proximately caused Plaintiffs Jung and Montanye and other members of the New Jersey Class to suffer ascertainable losses in the form of, *inter alia*, monies spent to purchase the Refrigerators, and they are entitled to recover such damages, together with appropriate penalties, including treble damages, any other statutory damages, attorneys' fees and costs of suit.

420. The NJCFA is, by its terms, a cumulative remedy, such that remedies under its provisions can be awarded in addition to those provided under separate statutory schemes.

421. Plaintiffs Jung and Montanye, on behalf of themselves and the New Jersey Class, also seek a permanent injunction prohibiting Defendant from continuing to engage in the deceptive acts set forth above.

COUNT II

Injunctive Relief and Damages for Breach of the Florida Deceptive and Unfair Trade Practices Act (Fla. Stat. § 501.201, *et seq*.) (On Behalf of Plaintiffs Zelig, the Kvatek Plaintiffs and the Florida Class)

422. Plaintiff Zelig and the Kvatek Plaintiffs repeat and reallege the allegations contained in ¶¶ 1-409 above as if fully set forth herein.

423. This cause of action is brought pursuant to the Florida Deceptive and Unfair Trade Practices Act, Fla. Stat. §501.201 *et seq.* ("FDUTPA"), whose purpose is to "protect the consuming public . . . from those who engage in unfair methods of competition, or unconscionable, deceptive, or unfair acts or practices in the conduct of any trade or commerce." Fla. Stat. §501.202(2).

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424. This cause of action is for damages pursuant to Fla. Stat. § 501.211(2). Pursuant to FDUTPA, "a person who has suffered a loss as a result of a violation of this part may recover actual damages, plus attorney's fees and Court costs." Fla. Stat §501.211(2).

425. Plaintiff Zelig and the Kvatek Plaintiffs are consumers as defined by Fla. Stat. §501.203. Plaintiff Zelig, the Kvatek Plaintiffs, and each member of the Florida Class purchased a Refrigerator.

426. Defendant is engaged in trade or commerce within the meaning of the Act.

427. Fla. Stat. §501.204(1) declares unlawful "[u]nfair methods of competition, unconscionable acts or practices, and unfair or deceptive acts or practices in the conduct of any trade or commerce"

428. Defendant has violated the Act by engaging in the unfair, deceptive and unconscionable acts and practices as described herein, which included the following: In the course of business in the marketing and sale of the Refrigerators, Defendant actively misrepresented the quality of the Refrigerators and their component parts, including their compressors, fans, and ice makers, as well as their capacity to maintain food at appropriate temperatures, and thus used unconscionable commercial practices, deception, fraud, false pretense, false promise, misrepresentation and willful omission in violation of FDUTPA in connection with the marketing and sale of the Refrigerators, as alleged above. Moreover, Defendant engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, unfair practices and/or concealment, suppression or omission of material facts about the Defects with intent that others rely upon such concealment or misstatement in connection with the sale of its Refrigerators.

429. Defendant's unfair, deceptive and unconscionable acts or practices also willfully concealed or actively intended to mislead consumers, tended to create a false impression in potential and actual consumers of Defendant's Refrigerators, and in fact did deceive reasonable consumers, including Plaintiff Zelig, the Kvatek Plaintiffs, and members of the Florida Class about the true value of Refrigerators made by Defendant.

430. Plaintiff Zelig, the Kvatek Plaintiffs, and the Florida Class have been aggrieved by Defendant's unfair and deceptive acts and practices in that they purchased Refrigerators. As a result of Defendant's unfair and deceptive acts and practices, and unlawful conduct, Plaintiff Zelig, the Kvatek Plaintiffs, and other members of the Florida Class have in fact been harmed. If Defendant had disclosed the Defects and otherwise been truthful about their condition, Plaintiff Zelig and the Kvatek Plaintiffs would not have purchased Defendant's products. In fact, Defendant was able to charge more than what its Refrigerators would have been worth had it disclosed the truth about them.

431. The damages suffered by Plaintiff Zelig, the Kvatek Plaintiffs, and the Florida Class were directly and proximately caused by the unfair and deceptive acts and practices of Defendant, as more fully described herein.

432. Pursuant to Fla. Stat. § 501.211(1), Plaintiff Zelig, the Kvatek Plaintiffs, and the Florida Class seek a declaratory judgment and a court order enjoining the above-described wrongful acts and practices of Defendant.

433. Additionally, pursuant to Fla. Stat. § 501.211(2) and pursuant to Fla. Stat. § 501.2015, Plaintiff Zelig, the Kvatek Plaintiffs, and the Florida Class make claims for damages, attorneys' fees and costs.

COUNT III

Injunctive Relief and Damages for Violations of the Consumers Legal Remedies Act

(Cal. Civil Code §§ 1750 *et seq*.) By Plaintiff Hernandez and Plaintiff Dzhurinskiy Individually and on Behalf of the California Class

434. Plaintiff Hernandez and Plaintiff Dzhurinskiy repeat and reallege the allegations contained in paragraphs ¶¶ 1-409 above as if set forth fully herein.

435. This cause of action is brought pursuant to the Consumers Legal Remedies Act, California Civil Code §§ 1750, *et seq.* ("CLRA" or the "Act"), which provides that enumerated listed "unfair methods of competition and unfair or deceptive acts or practices (including those listed below in ¶ 442) 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 are unlawful," CLRA § 1770, and that "[a]ny consumer who suffers any damage as a result of the use or employment by any person of a method, act, or practice declared to be unlawful by Section 1770 may bring an action against such person to recover or obtain" various forms of relief, including injunction and damages. Cal. Civ. Code § 1780. This cause of action seeks both injunctive relief and damages on behalf of the California Class.

436. On September 5, 2017, counsel, on behalf of Plaintiff Hernandez, sent Defendant a CLRA notice letter providing the notice required by California Civil Code § 1782(a). This letter was sent via certified mail, return receipt requested, to Defendant's counsel. The letter advises Defendant that it is in violation of the CLRA and must correct, replace or otherwise rectify the goods and/or services alleged to be in violation of § 1770. Defendant was further advised that in the event the relief requested has not been provided within thirty (30) days, Plaintiff Hernandez will amend his Complaint to include a request for monetary damages pursuant to the CLRA. Plaintiff Hernandez, at this time, only seeks injunctive relief under the CLRA. If defendant does not take all requested remedial action within 30 days of the sending of the CLRA letter, Plaintiff Hernandez intends to request leave to amend to seek monetary damages.

437. On, August 29, 2017, counsel, on behalf of Plaintiff Dzhurinskiy, sent Defendant a CLRA notice letter providing the notice required by Section 1782(a) of the California Civil Code. This letter was sent via certified mail. The letter advises that LG deceived Plaintiff Dzhurinskiy and similarly situated individuals into purchasing LG Refrigerators. It further alleges that LG is in violation of several provisions under Section 1770(a) of the California Civil Code, and it demands Class-wide relief. Plaintiff Dzhurinskiy, at this time, only seeks injunctive relief under the CLRA. If defendant does not take all requested remedial action within 30 days of the sending of the CLRA letter, Plaintiff Dzhurinskiy intends to request leave to amend to seek monetary damages

438. Defendant's actions, representations and conduct have violated, and continue to violate the CLRA, because they extend to transactions that are intended to result, or which have resulted, in the sale of goods to consumers.

439. Defendant marketed, sold and distributed Refrigerators in California and throughout the United States during the relevant period for this Count.

440. Plaintiff Hernandez, Plaintiff Dzhurinskiy, and members of the California Class are "consumers" as that term is defined by the CLRA in Cal. Civ. Code § 1761(d).

441. Defendant's Refrigerators were and are "good[s]" within the meaning of Cal. Civ.Code §§ 1761(a) & (b).

442. Defendant violated the CLRA by engaging in at least the following practices proscribed by California Civil Code § 1770(a) in transactions with Plaintiff Hernandez, Plaintiff

Dzhurinskiy, and the California Class which were intended to result, and did result, in the sale of Refrigerators:

(5) Representing that [Refrigerators have] . . . approval, characteristics . . . uses[or] benefits . . . which [they do] not have

(7) Representing that [Refrigerators are] of a particular standard, quality or grade .. . if [they are] of another.

(9) Advertising goods . . . with intent not to sell them as advertised.

443. As such, Defendant's conduct constitutes unfair methods of competition and unfair or fraudulent acts or practices because it does not sell, and because it intends not to sell, the Refrigerators as Defendant advertised and instead misrepresents the particulars by, in its marketing, representing the Refrigerators as described above when it knew, or should have known, that the representations and advertisements were deceptive, false and misleading in light of the omissions of material facts as described above.

444. The omitted information would have been material to a reasonable consumer in his or her decision as to whether to purchase the Refrigerators and/or purchase the Refrigerators at the price at which they were offered.

445. Defendant had a duty to disclose this information to Plaintiff Hernandez, Plaintiff Dzhurinskiy, and the members of the California Class for several reasons. Defendant, through its marketing and sale of the Refrigerators, used unconscionable commercial practices, deception, fraud, false pretense, false promise, misrepresentation and willful omission in violation of the CLRA in connection with the marketing and sale of the Refrigerators, as alleged above. In the course of business in the marketing and sale of the Refrigerators, Defendant

actively misrepresented the quality of the Refrigerators and their component parts, including their compressors, fans, and ice makers, as well as their capacity to maintain food at appropriate temperatures and used unconscionable commercial practices, deception, fraud, false pretense, false promise, misrepresentation and willful omission in violation of the CLRA in connection with the marketing and sale of the Refrigerators, as alleged above.

446. Moreover, Defendant engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, unfair practices and/or concealment, suppression or omission of material facts with intent that others rely upon such concealment or misstatement in connection with the sale of its Refrigerators. Defendant also knowingly concealed, suppressed and consciously omitted material facts about the Defects to Plaintiff Hernandez and other members of the California Class knowing that consumers would rely on the limited information available which excluded information about the Defects, to make decisions as to the purchase of the Refrigerators.

447. Defendant provided Plaintiff Hernandez, Plaintiff Dzhurinskiy, and the other California Class members with Refrigerators that did not match the quality portrayed by its marketing.

448. As a result, Plaintiff Hernandez, Plaintiff Dzhurinskiy, and members of the California Class have suffered irreparable harm. Plaintiff Hernandez's, Plaintiff Dzhurinskiy's, and the other California Class members' injuries were proximately caused by Defendant's conduct as alleged herein. Plaintiff Hernandez and Plaintiff Dzhurinskiy, individually and on behalf of all other California Class members, seek entry of an order enjoining Defendant from continuing to employ the unlawful methods, acts and practices alleged herein pursuant to California Civil Code section 1780(a)(2). If Defendant does not take all requested remedial

action within 30 days of the sending of the CLRA letter, Plaintiff Hernandez and Plaintiff Dzhurinskiy intend to request leave to amend to seek, on behalf of the Class, an award of exemplary and punitive damages against Defendant pursuant to California Civil Code sections 1780(a)(1) and (a)(4), and ordering the payment of costs and attorneys' fees, and such other relief as deemed appropriate and proper by the Court under California Civil Code section 1780(a)(2). If Defendant is not restrained from engaging in these practices in the future, Plaintiff Hernandez, Plaintiff Dzhurinskiy, and the California Class will continue to suffer harm.

449. Pursuant to section 1780(d) of the CLRA, attached hereto as Exhibit A are is affidavit testimony showing that this action has been commenced in the proper forum.

COUNT IV

Injunctive and Equitable Relief for Violations of Unfair Competition Law (Cal. Business & Professions Code §§ 17200, *et seq.*) By Plaintiff Hernandez and Plaintiff Dzhurinskiy Individually and on Behalf of the California Classes

450. Plaintiff Hernandez and Plaintiff Dzhurinskiy repeat and reallege the allegations contained in ¶¶ 1-409 above as if fully set forth herein.

451. The Unfair Competition Law, Cal. Business & Professions Code § 17200, *et seq*. ("UCL"), prohibits any "unlawful," "unfair," or "fraudulent" business act or practice and any false or misleading advertising.

452. In the course of conducting business, Defendant committed unlawful business practices by, *inter alia*, making the representations (which also constitute advertising within the meaning of § 17200) and omissions of material facts, as set forth more fully herein, and violating Cal. Civil Code §§ 1750, *et seq*, and the common law.

453. Plaintiff Hernandez and Plaintiff Dzhurinskiy, individually and on behalf of the other California Class members, reserve the right to allege other violations of law which

constitute other unlawful business acts or practices. Such conduct is ongoing and continues to this date.

454. Defendant's actions constitute "unfair" business acts or practices because, as alleged above, *inter alia*, Defendant engages in deceptive and false advertising, and misrepresents and omits material facts regarding its Refrigerators, and thereby offends an established public policy, and engages in immoral, unethical, oppressive, and unscrupulous activities that are substantially injurious to consumers. This conduct constitutes violations of the unfair prong of Business & Professions Code §§ 17200, *et seq*.

455. Business & Professions Code §§ 17200, *et seq.*, also prohibits any "fraudulent business act or practice."

456. Defendant's actions, claims, nondisclosures, and misleading statements, as alleged herein, also constitute "fraudulent" business practices in violation of the UCL because, among other things, they are false, misleading, and/or likely to deceive reasonable consumers within the meaning of Business & Professions Code §§ 17200, *et seq*.

457. There were reasonably available alternatives to further Defendant's legitimate business interests, other than the conduct described herein.

458. As a result of Defendant's pervasive false marketing, including deceptive and misleading acts and omissions as detailed herein, Plaintiff Hernandez, Plaintiff Dzhurinskiy, and other members of the California Class have in fact been harmed as described above. If Defendant had disclosed the Defects in the Refrigerators and otherwise been truthful about their condition, Plaintiff Hernandez and Plaintiff Dzhurinskiy would not have purchased Defendant's products. Defendant was also able to charge more than what its Refrigerators would have been worth had it disclosed the truth about them.

459. As a result of Defendant's unlawful, unfair, and fraudulent practices, Plaintiff Hernandez, Plaintiff Dzhurinskiy, and the other California Class members have suffered injury in fact and lost money.

460. As a result of its deception, Defendant has been able to reap unjust revenue and profit in violation of the UCL.

461. Unless restrained and enjoined, Defendant will continue to engage in the abovedescribed conduct. Accordingly, injunctive relief is appropriate for Plaintiff Hernandez, Plaintiff Dzhurinskiy, and the California Class.

462. As a result of Defendant's conduct in violation of the UCL, Plaintiff Hernandez, Plaintiff Dzhurinskiy, and members of the California Class have been injured as alleged herein in amounts to be proven at trial because they purchased Refrigerators without full disclosure of the material facts discussed above.

463. As a result, Plaintiff Hernandez and Plaintiff Dzhurinskiy, individually, and on behalf of the California Class, and the general public, seek restitution and disgorgement of all money obtained from Plaintiff Hernandez, Plaintiff Dzhurinskiy, and the members of the California Class collected by Defendant as a result of unlawful, unfair, and/or fraudulent conduct, and seeks injunctive relief, and all other relief this Court deems appropriate, consistent with Business & Professions Code § 17203.

<u>COUNT V</u> Violations of New York General Business Law § 349 N.Y. GEN. BUS. LAW § 349 (On Behalf of Plaintiffs Grishchenko and Saber and the New York Class)

464. Plaintiffs repeat and reallege the allegations set forth in $\P\P$ 1-409 above as if fully set forth herein.

465. This claim is bought on behalf of Plaintiffs Grishchenko and Saber and the New York Class.

466. New York's General Business Law § 349 makes unlawful "[d]eceptive acts or practices in the conduct of any business, trade or commerce."

467. In the course of Defendant's business, it willfully failed to disclose and actively concealed the Defects in the Refrigerators as described above.

468. Accordingly, Defendant engaged in unfair methods of competition, unconscionable acts or practices, and unfair or deceptive acts or practices as defined in N.Y. GEN. BUS. LAW § 349, including representing that the Refrigerators have characteristics, uses, benefits, and qualities which they do not have; representing that the Refrigerators are of a particular standard and quality when they are not; advertising the Refrigerators with the intent not to sell them as advertised; and otherwise engaging in conduct likely to deceive.

469. Defendant's actions as set forth above occurred in the conduct of trade or commerce.

470. Defendant's deception relates to widely consumed consumer products and therefore affects the public interest. Defendant's unlawful conduct constitutes unfair acts or practices that have the capacity to deceive consumers, and that have a broad impact on consumers at large.

471. Defendant's conduct proximately caused injuries to Plaintiffs Grishchenko and Saber and the other New York Class members.

472. Plaintiffs Grishchenko and Saber and the other New York Class members have suffered ascertainable loss as a result of Defendant's conduct in that Plaintiffs and the other New York Class members overpaid for their Refrigerators and did not receive the benefit of their

bargain, paid out of pocket costs relating to the Defects, and their Refrigerators have suffered a diminution in value (to the extent they are even operable). These injuries are the direct and natural consequence of Defendant's misrepresentations and omissions.

<u>COUNT VI</u> Violations of Texas Deceptive Trade Practices Act TEX. BUS. & COM. CODE §§ 17.41, *et seq.* ("TDTPA") (On Behalf of Plaintiff Hillegas and the Oney Plaintiffs and the Texas Class)

473. Plaintiffs repeat and reallege the allegations set forth in $\P\P$ 1-409 above as if fully set forth herein.

474. This claim is brought on behalf of Plaintiff Hillegas and the Oney Plaintiffs (collectively, for the purpose of this count, "Texas Plaintiffs") and the Texas Class.

475. The TDTPA provides that a person may not engage in any unfair or deceptive trade practice in the sale of any consumer good.

476. Each of the Texas Plaintiffs and Defendant are "persons" within the meaning of the TDTPA. *See* TEX. BUS. & COM. CODE § 17.45(3).

477. The Refrigerators are "goods" under the TDTPA. See id. § 17.45(1).

478. The Texas Plaintiffs and the other Texas Class members are "consumers" as defined in the TDTPA. *See id.* § 17.45(4).

479. Defendant has at all relevant times engaged in "trade" and "commerce" as defined under TDTPA § 17.45(6), by advertising, offering for sale, selling, and/or distributing the Refrigerators in Texas, directly or indirectly affecting Texas citizens through that trade and commerce.

480. Defendant participated in misleading, false or deceptive acts that violated the TDTPA. By fraudulently selling Refrigerators with the concealed and undisclosed Defects as described herein, Defendant engaged in deceptive business practices prohibited by the TDTPA.

481. In the course of its business, Defendant, through its marketing and sale of the Refrigerators, used unconscionable commercial practices, deception, fraud, false pretense, false promise, misrepresentation and willful omission in violation of the TDTPA in connection with the marketing and sale of the Refrigerators, as alleged above. In the course of business in the marketing and sale of the Refrigerators, Defendant actively misrepresented the quality of the Refrigerators and their component parts, including their compressors, fans, and ice makers, as well as their capacity to maintain food at appropriate temperatures and used unconscionable commercial practices, deception, fraud, false pretense, false promise, misrepresentation and willful omission in violation of the TDTPA in connection with the marketing and sale of the Refrigerators, as alleged above.

482. Moreover, Defendant engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, unfair practices and/or concealment, suppression or omission of material facts with intent that others rely upon such concealment or misstatement in connection with the sale of its Refrigerators. Defendant also knowingly concealed, suppressed and consciously omitted material facts to the Texas Plaintiffs and other members of the Texas Class knowing that consumers would rely on the limited information available which excluded information about the Defects, to make decisions as to the purchase of the Refrigerators.

483. Defendant has known of the Defects in Refrigerators from thousands of complaints and communications by Class members, but continued and continues to conceal the Defects in order to make sales of the Refrigerators.

484. By willfully failing to disclose and actively concealing the Defects, by marketing the Refrigerators as reliable and of high quality, and by presenting itself as a reputable

manufacturer that stood by its products after they were sold when it in fact does not, Defendant engaged in unfair and deceptive business practices in violation of the TDTPA.

485. Defendant's unfair or deceptive acts or practices were likely to and did in fact deceive reasonable consumers, including Plaintiffs and members of the Texas Class, about the quality, workmanship, performance, and true value of the defective Refrigerators.

486. Defendant intentionally and knowingly omitted material facts regarding the Refrigerators with intent to mislead the Texas Plaintiffs and the Texas Class.

487. Defendant's conduct was and is violative of the TDTPA in the following ways:

- a. representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits, or quantities which they do not have or that a person has a sponsorship, approval, status, affiliation, or connection which the person does not;
- b. 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;
- c. advertising goods or services with intent not to sell them as advertised; and
- d. failing to disclose information concerning goods or services which was known at the time of the transaction if such failure to disclose such information was intended to induce the consumer into a transaction into which the consumer would not have entered had the information been disclosed.

TEX. BUS. & COM. CODE § 17.46(b)(5), (7), (9), (24).

488. Defendant owed Plaintiffs and the Texas Class a duty to disclose the Defects in Refrigerators and the true value of Refrigerators because Defendant:

- a. possesses exclusive knowledge that its manufacturing process entailed the inclusion of defective compressors, fans, ice makers, or other hardware;
- b. intentionally concealed the foregoing from Plaintiffs and the Texas Class; and/or
- c. made incomplete, false or misleading representations about the characteristics, quality, workmanship, reliability, value, efficiency, and performance of the Refrigerators while purposefully withholding material facts from Plaintiffs and the Texas Class that contradicted these representations.

489. Because the Texas Plaintiffs and the Texas Class overpaid for Refrigerators due to Defendant's conduct described herein and because the Defects in the Refrigerators have caused Plaintiffs and members of the Texas Class to incur out-of-pocket expenses, they have suffered ascertainable loss as a direct and proximate result of Defendant's deceptive and unfair acts and practices in violation of the TDTPA.

490. Defendant was on notice of its breaches of the Act due to vast numbers of consumer complaints, and further through reports by repair technicians and/or others.

491. The Oney Plaintiffs provided notice of the grounds for their claim under the Act by sending a demand letter to Defendant on August 7, 2017 pursuant to TEX. BUS. & COM. CODE § 17.505.

492. Plaintiff Hillegas also sent a letter in August 2017, to the CEO of LG describing the history of problems and failed repairs and informing him that this is unacceptable for such a

new unit. Plaintiff Hillegas additionally sent a demand letter to Defendant on September 5, 2017 pursuant to TEX. BUS. & COM. CODE § 17.505. No further notice by the Texas Plaintiffs is required.

COUNT VII

Violation of Utah Consumer Sales Practices Act (UTAH CODE ANN. § 13-11-1, *et seq.*) ("CSPA") (On Behalf of Plaintiff Haggard and the Utah Class)

493. Plaintiffs reallege and incorporate by reference ¶¶ 1-409 above as though fully set forth herein.

494. Plaintiff Haggard brings this Count on behalf of himself and the Utah Class.

495. Defendant is a "supplier" under UTAH CODE ANN. § 13-11-3.

496. Plaintiff and Utah Class members are "persons" under UTAH CODE ANN. § 13-11-

3.

497. The sale of the Refrigerators to Plaintiff and Utah Class members was a "consumer transaction" within the meaning of UTAH CODE ANN. § 13-11-3.

498. The Utah CSPA makes unlawful any "deceptive act or practice by a supplier in connection with a consumer transaction" under UTAH CODE ANN. § 13-11-4. 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 ANN. § 13-11-4. "An unconscionable act or practice by a supplier in connection with a consumer transaction" also violates the Utah CSPA. UTAH CODE ANN. § 13-11-5.

499. In the course of its business, Defendant, through its marketing and sale of the Refrigerators, used unconscionable commercial practices, deception, fraud, false pretense, false

promise, misrepresentation and willful omission in violation of the CSPA in connection with the marketing and sale of the Refrigerators, as alleged above. In the course of business in the marketing and sale of the Refrigerators, Defendant actively misrepresented the quality of the Refrigerators and their component parts, including their compressors, fans, and ice makers, as well as their capacity to maintain food at appropriate temperatures and used unconscionable commercial practices, deception, fraud, false pretense, false promise, misrepresentation and willful omission in violation of the CSPA in connection with the marketing and sale of the Refrigerators, as alleged above.

500. Moreover, Defendant engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, unfair practices and/or concealment, suppression or omission of material facts with intent that others rely upon such concealment or misstatement in connection with the sale of its Refrigerators. Defendant also knowingly concealed, suppressed and consciously omitted material facts to the Utah Plaintiff and other members of the Utah Class knowing that consumers would rely on the limited information available which excluded information about the Defects, to make decisions as to the purchase of the Refrigerators.

501. Defendant incorporated faulty compressors, fans, ice makers and/or related components in the Refrigerators that cause the Refrigerators to fail over time, resulting in the compressors losing all functionality, the fans ceasing to distribute cold air, and/or the ice makers failing. Defendant concealed and omitted this compressor failure and otherwise engaged in activities with the tendency or capacity to deceive. Defendant also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or

concealment, suppression or omission, in connection with the sale of the Refrigerators containing the Defects.

502. Defendant knew it had installed defective components in the Refrigerators, and Defendant knew that the Refrigerators were equipped with the Defects, but concealed that information.

503. By failing to disclose that the Refrigerators had the Defects, by marketing its Refrigerators as reliable, and of high quality and by presenting itself as a reputable manufacturer that valued safety and stood behind its Refrigerators after they were sold, Defendant engaged in deceptive business practices in violation of the Utah CSPA.

504. Defendant's unfair or deceptive acts or practices were likely to and did in fact deceive reasonable consumers, including Plaintiff and the other Utah Class members, about the true performance of the Refrigerators, the quality of the Defendant brand, and the true value of the Refrigerators.

505. Defendant intentionally and knowingly failed to disclose material facts regarding the Refrigerators with an intent to mislead Plaintiff and the Utah Class.

506. Defendant knew or should have known that its conduct violated the Utah CSPA.

507. Defendant owed Plaintiff and the Utah Class a duty to disclose the Defects and the true performance and reliability of the Refrigerators, because Defendant:

- a. possessed exclusive knowledge that its manufacturing process entailed the inclusion of defective compressors, fans, ice makers or other hardware;
- b. intentionally concealed the foregoing from Plaintiff and the Utah Class; and/or

 made incomplete representations about the reliability and performance of the Refrigerators generally, and the Defects, including compressor failure in particular, while purposefully withholding material facts from Plaintiff and the Utah Class that contradicted these representations.

508. Because Defendant fraudulently concealed the Defects and the true performance of the Refrigerators, the value of the Refrigerators has greatly diminished (to the extent they are even operable).

509. Defendant's fraudulent concealment of the true performance of the Refrigerators was material to Plaintiff and the Utah Class. A refrigerator made by a reputable manufacturer of reliable, high-quality, high-performing devices is worth more than an otherwise comparable refrigerator made by a disreputable manufacturer of unreliable, low-quality, defective devices that conceals defects rather than promptly remedying them.

510. Plaintiff and the Utah Class suffered ascertainable loss caused by Defendant's concealment of and failure to disclose material information. Utah Class members who purchased the Refrigerators either would have paid less for their Refrigerators or would not have purchased them at all but for Defendant's material omissions and violations of the Utah CSPA.

511. Defendant had an ongoing duty to all of its customers to refrain from unfair and deceptive practices under the Utah CSPA. All owners of the Refrigerators suffered ascertainable losses in the form of, *inter alia*, the diminished value of their Refrigerators as a result of Defendant's deceptive and unfair acts and practices made in the course of its business.

512. Defendant's violations present a continuing risk to Plaintiff as well as to the general public. Defendant's unlawful acts and practices complained of herein affect the public interest.

513. As a direct and proximate result of Defendant's violations of the Utah CSPA, Plaintiff Haggard and the Utah Class have suffered injury-in-fact and/or actual damage. Pursuant to UTAH CODE ANN. § 13-11-4, Plaintiff Haggard and the Utah Class seek monetary relief against Defendant measured as the greater of (a) actual damages in an amount to be determined at trial and (b) statutory damages in the amount of \$2,000 for Plaintiff and for each Utah Class member, reasonable attorneys' fees, and any other just and proper relief available under the Utah CSPA.

COUNT VIII

Violations of the Maryland Consumer Protection Act MD. CODE COM. LAW §§ 13-101, *et seq.* ("MCPA") (On Behalf of the Williams Plaintiffs and the Maryland Class)

514. Plaintiffs repeat and reallege the allegations set forth in $\P\P$ 1-409 above as if fully set forth herein.

515. Plaintiffs and the Maryland Class are "consumers" within the meaning of MD. CODE COM. LAW § 13-101(c)

516. LG is deemed a "person" with the meaning of MD. CODE COM. LAW § 13-101(h).

517. LG's actions as set forth above occurred in the conduct of trade or commerce.

518. The MCPA 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. LG participated in misleading, false or deceptive acts that violated and are prohibited by the MCPA, namely by marketing and selling the Refrigerators with the known Defects as described herein while concealing, omitting, and otherwise failing to disclose information about the Defects.

519. Specifically, in the course of its business, LG sold the Refrigerators equipped with known latent Defects that cause failures in critical Refrigerator components and functions (e.g., cooling system, condensers, fans, ice makers). LG concealed the Defects and otherwise engaged

in activities with the tendency or capacity to deceive. LG also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission, in connection with the sale of the Refrigerators containing the Defects.

520. LG has known of the Defects in the Refrigerators from complaints and communications – including calls, emails, and online complaints – by Plaintiffs and Class members as well as routine calls from consumers seeking service or repairs to eliminate the Defects. Nevertheless, LG continues to conceal the Defects in order to make sales of its defective Refrigerators.

521. By willfully failing to disclose and actively concealing the Defects, by marketing the Refrigerators as reliable and of high quality, and by presenting itself as a reputable manufacturer that stood by its products after they were sold when it in fact does not, LG engaged in unfair and deceptive business practices in violation of the MCPA.

522. LG's unfair or deceptive acts or practices were likely to and did in fact deceive or mislead reasonable consumers, including Plaintiffs and the Maryland Class, about the quality, workmanship, performance, and true value of the defective Refrigerators.

523. Disclosure of the Defects prior to selling the Refrigerators would have altered Plaintiffs' and Maryland Class members' decision-making process with respect to purchasing their Refrigerators. Had they known that the Refrigerators were defective and that their cooling systems were prone to failure, Plaintiffs and the Maryland Class members would not have purchased their Refrigerators or would have paid significantly less for them.

524. LG intentionally and knowingly omitted and concealed material facts regarding the Refrigerators and the Defects with intent that such omission would mislead Plaintiffs and the Maryland Class and would aid in making sales.

525. LG knew or should have known that its conduct violated the MCPA.

526. LG owed Plaintiffs and the Maryland Class a duty to disclose the Refrigerator Defects and the true value of the Refrigerators because LG:

- a. Possessed exclusive knowledge of the Defects;
- b. Intentionally concealed the foregoing from Plaintiffs and the Maryland Class; and/or
- c. Made incomplete, false or misleading representations about the characteristics, quality, workmanship, reliability, value, efficiency, and performance of the Refrigerators while purposefully withholding material facts from Plaintiffs and the Maryland Class that contradicted these representations namely, concealing the existence of the Defects.

527. As a direct and proximate result of LG's violations of the MCPA, Plaintiffs and the Maryland Class have suffered ascertainable injury-in-fact and/or actual damage.

528. Plaintiffs and Maryland Class members have suffered ascertainable losses because the Defects have caused Plaintiffs and members of the Maryland Class to incur out-ofpocket expenses (among other losses), and the Refrigerators are worth far less than paid for by Plaintiffs and Maryland Class members.

529. Pursuant to MD. CODE COM. LAW § 13-408, the Williams Plaintiffs and the Maryland Class seek actual damages, attorneys' fees, and any other just and proper relief available under the MCPA.

<u>COUNT IX</u> Violations of the Illinois Consumer Fraud and Deceptive Business Practices Act 815 ILL. COMP. STAT. §§ 505/1, *et seq.* ("Illinois CFA") (On Behalf of the Kania Plaintiffs and the Illinois Class)

530. Plaintiffs repeat and reallege the allegations set forth in $\P\P$ 1-409 above as if fully set forth herein.

531. The Kania Plaintiffs and Illinois Class members are "consumers" as that term is defined in 815 ILL. COMP. STAT. § 505/1(e).

532. LG's acts or practices as set forth above occurred in the conduct of "trade" or "commerce" under 815 ILL. COMP. STAT. § 505/2.

533. Defendant's acts and practices are unfair in at least the following respects: Defendant knowingly sold Plaintiffs and Illinois Class members Refrigerators with the known Defects, refused to honor warranties, required consumers to wait multiple weeks for repairs, and made repairs that were ineffective.

534. Defendant's acts and practices are contrary to Illinois law and policy and constitute immoral, unethical, oppressive, and unscrupulous business practices that caused substantial injury to Plaintiffs and Illinois Class members. The gravity of the harm resulting from Defendant's unfair conduct outweighs any potential utility of the conduct. The practice of knowingly selling defective Refrigerators without providing an adequate remedy to cure the Defects harms the public at large and is part of a common and uniform course of wrongful conduct. There are reasonably available alternatives that would further Defendant's business interests of increasing sales and preventing false warranty claims. The harm from Defendant's unfair conduct was not reasonably avoidable by consumers.

535. Defendant's acts and practices are deceptive because Defendant willfully failed to disclose and actively concealed the Defects in Refrigerators; represented that Refrigerators have characteristics, uses, benefits, and qualities which they do not have; represented that the Refrigerators are of a particular standard and quality when they are not; and otherwise engaged in conduct likely to deceive.

536. Defendant was aware that it was manufacturing, selling, and distributing Refrigerators throughout the United States that were not of good quality and did not perform acceptably in terms of workmanship.

537. Defendant's conduct and omissions were material to Plaintiffs and Illinois Class members.

538. Defendant used deceptive acts and practices—namely omission and concealment of the Defects—with intent that consumers, such as Plaintiffs and Illinois Class members, would be deceived and rely upon Defendant's omissions in selecting and purchasing their Refrigerators.

539. Defendant intentionally and knowingly omitted material facts regarding the Refrigerators with an intent to mislead Plaintiffs and Illinois Class members.

540. Defendant's unfair or deceptive acts or practices were likely to and did in fact deceive reasonable consumers, including Plaintiffs and Illinois Class members, about the true performance of Refrigerators, the quality of Refrigerators and the LG brand, and the true value of the Refrigerators.

541. Defendant knew or should have known that its conduct violated the Illinois CFA.

542. Defendant owed Plaintiffs and Illinois Class members a duty to disclose the Defects and the true performance of Refrigerators because Defendant possessed exclusive knowledge of the Defects; because the Refrigerators were not merchantable and did not possess

the quality and workmanship expected of refrigerators sold on the market; because Defendant intentionally concealed the foregoing from Plaintiffs and Illinois Class members; and because Defendant made incomplete representations about the Refrigerators while purposefully withholding material facts from Plaintiffs and Illinois Class members that contradicted these representations.

543. Because Defendant fraudulently concealed the Defects, the value of the Refrigerators has greatly diminished and, thus, Plaintiffs and Illinois Class members overpaid for their Refrigerators.

544. Plaintiffs and Illinois Class members suffered ascertainable loss caused by Defendant's misrepresentations and concealment of material information relating to the Defects.

545. Plaintiffs and Illinois Class members would have paid less for their Refrigerators or would not have purchased them at all but for Defendant's violations of the Illinois CFA.

546. As a direct and proximate result of Defendant's violations of the Illinois CFA, Plaintiffs and Illinois Class members have suffered injury in fact and actual damage.

547. Pursuant to 815 ILL. COMP. STAT. § 505/10a(a), the Kania Plaintiffs and Illinois Class members seek actual damages as well as punitive damages (pursuant to 815 ILL. COMP. STAT. § 505/10a(c)), because Defendant acted with fraud and malice and was grossly negligent in selling Refrigerators it knew or was substantially certain would fail.

548. Plaintiffs and Illinois Class members also seek an order enjoining Defendant's unfair and deceptive acts or practices, reasonable attorneys' fees, and any other just and proper relief available under 815 ILL. COMP. STAT. §§ 505/1, *et seq*.

<u>COUNT X</u> Violations of the Illinois Uniform Deceptive Trade Practices Act ("Illinois DTPA") 815 ILL. COMP. STAT. §§ 510/1, *et seq*.

(On Behalf of the Kania Plaintiffs and the Illinois Class)

549. Plaintiffs repeat and reallege the allegations set forth in $\P\P$ 1-409 above as if fully set forth herein.

550. Defendant is a "person" as defined in 815 ILL. COMP. STAT. § 510/1(5).

551. In the course of Defendant's business, it willfully failed to disclose and actively concealed the Defects in the Refrigerators as described herein. Accordingly, Defendant engaged in deceptive trade practices as defined in 815 ILL. COMP. STAT. § 510/2, including representing that the Refrigerators have characteristics, uses, benefits, and qualities which they do not have; representing that the Refrigerators are of a particular standard and quality when they are not; and otherwise engaging in conduct likely to deceive.

552. Defendant intended for Plaintiffs and Illinois Class members to rely on its aforementioned unfair and deceptive acts and practices, including the omissions alleged hereinabove.

553. Defendant knew or should have known that its conduct violated the Illinois DTPA.

554. Defendant possessed exclusive knowledge of the Defects and knew that the Refrigerators were unmerchantable and did not possess the quality or workmanship that would pass without objection. Defendant intentionally concealed the foregoing from Plaintiff and Illinois Class members, and Defendant made incomplete representations about the Refrigerators while purposefully withholding material facts from Plaintiffs and Illinois Class members that contradicted these representations. For each of these reasons, Defendant had a duty to disclose the Defects to Plaintiffs and Illinois Class members.

555. Defendant's conduct and false representations and omissions were material to Plaintiffs and Illinois Class members in connection with their purchases of the Refrigerators.

556. Plaintiffs and Illinois Class members suffered ascertainable loss caused by Defendant's misrepresentations and its concealment of and failure to disclose material information. The Kania Plaintiffs and Class members who purchased Refrigerators either would have paid less for their Refrigerators or would not have purchased them at all but for Defendant's violations of the Illinois DTPA.

557. Defendant's conduct alleged herein proximately caused injuries to Plaintiffs and Illinois Class members. Plaintiffs and Illinois Class members overpaid for their Refrigerators and did not receive the benefit of their bargain. These injuries were the direct and natural consequence of Defendant's misrepresentations and omissions in violation of the Illinois DTPA. Pursuant to 815 ILL. COMP. STAT. § 510/3, Plaintiffs and Illinois Class members are entitled to an award of injunctive relief to prevent Defendant's deceptive trade practices and, because Defendant's conduct was willful, an award of reasonable attorneys' fees and costs.

COUNT XI

Violation of the North Carolina Unfair and Deceptive Trade Practices Act N.C. GEN. STAT. §§ 75-1.1, *et. seq.* ("NCUDTPA") (On Behalf of Plaintiff Giff and the North Carolina Class)

558. Plaintiff repeats and realleges the allegations set forth in $\P\P$ 1-409 above as if fully set forth herein.

559. The NCUDTPA makes unlawful "[u]nfair methods of competition in or affecting commerce, and unfair or deceptive acts or practices in or affecting commerce."

560. Defendant has affected commerce and trade by manufacturing, distributing and selling the Refrigerators.

561. Defendant engaged in unfair or deceptive acts or practices in violation of the NCUDTPA by selling defective Refrigerators while concealing, omitting, and failing to disclose to Plaintiff and North Carolina Class members that the Refrigerators are plagued with the Defects and prone to failure, despite the fact that Defendant knew of the Defects.

562. Specifically, in the course of its business, LG sold Refrigerators equipped with known latent Defects that cause failures in critical Refrigerator components and functions (e.g., cooling system, condensers, fans, ice makers). LG concealed the Defects and otherwise engaged in activities with the tendency or capacity to deceive. LG also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission, in connection with the sale of Refrigerators containing the Defects.

563. LG has known of the Defects in the Refrigerators from complaints and communications—including calls, emails, and online complaints—by Plaintiff and Class members as well as routine calls from consumers seeking service or repairs to eliminate the Defects. Nevertheless, LG continues to conceal the Defects in order to make sales of its defective Refrigerators.

564. By willfully failing to disclose and actively concealing the Defects, by marketing the Refrigerators as reliable and of high quality, and by presenting itself as a reputable manufacturer that stood by its products after they were sold when it in fact does not, LG engaged in unfair and deceptive business practices in violation of the NCUDTPA.

565. LG's unfair or deceptive acts or practices were likely to and did in fact deceive or mislead reasonable consumers, including Plaintiff and the North Carolina Class, about the quality, workmanship, performance, and true value of the defective Refrigerators.

566. The facts concealed or not disclosed by LG are material facts in that Plaintiff and North Carolina Class members and any reasonable consumer would have considered those facts important in deciding whether to purchase the Refrigerators. Disclosure of the Defects prior to selling Refrigerators would have altered Plaintiff's and North Carolina Class members' decisionmaking process with respect to purchasing their Refrigerators. Had they known that the Refrigerators were defective and that their cooling systems were prone to failure, Plaintiff and the North Carolina Class members would not have purchased their Refrigerators, or would have paid significantly less for them.

567. Defendant intentionally and knowingly omitted and concealed material facts regarding the Refrigerators and the Defects with the intent that Plaintiff and North Carolina Class members would rely upon its failure to disclose and omit the Defects when purchasing Refrigerators. Thus, LG knew of the defective nature of the Refrigerators yet continued to sell and distribute them to unsuspecting purchasers like Plaintiff and North Carolina Class members.

568. LG knew or should have known that its conduct violated the NCUDTPA.

569. LG owed Plaintiff and the North Carolina Class a duty to disclose the Refrigerator Defects and the true value of the Refrigerators because LG:

- a. Possessed exclusive knowledge of the Defects;
- b. Intentionally concealed the foregoing from Plaintiff and the North Carolina Class; and/or
- c. Made incomplete, false or misleading representations about the characteristics, quality, workmanship, reliability, value, efficiency, and performance of the Refrigerators while purposefully withholding material facts from Plaintiff and the North Carolina Class that contradicted these

representations – namely, concealing the existence of the Defects.

570. As shown through their purchase of the Refrigerators, Plaintiff and North Carolina Class members relied on LG's omissions and concealment of material facts (and it succeeded in using omissions and concealment to make sales).

571. As a direct and proximate result of LG's violations of the NCUDTPA, Plaintiff and the North Carolina Class have suffered ascertainable injury-in-fact and/or actual damage. Plaintiff and North Carolina Class members have suffered ascertainable losses because the Defects have caused them to incur out-of-pocket expenses (among other losses), and the Refrigerators are worth far less than paid for by them.

572. As a direct and proximate result of LG's unfair, deceptive and unconscionable commercial practices, Plaintiff Giff and North Carolina Class members have been damaged and are entitled to recover treble damages as well as attorneys' fees and costs pursuant to N.C. GEN. STAT. § 75-16.

<u>COUNT XII</u>

Violation of the Kansas Consumer Protection Act, Kan. Stat. Ann. §§ 50-623, et seq. ("KCPA") (On Behalf Of Plaintiff Hardison and The Kansas Class)

573. Plaintiff Hardison incorporates and realleges the allegations set forth in $\P\P$ 1-409 above as though fully set forth herein.

574. Plaintiff Hardison asserts this count on behalf of himself and members of the Kansas Class.

575. Plaintiff Hardison and members of the Kansas Class are consumers and persons within the context of the KCPA, Kan. Stat. Ann. §§ 50-623 et seq. and specifically §§ 50-624(b) and (i).

576. Plaintiff Hardison and members of the Kansas Class purchased and/or leased their Refrigerators for personal, family or household use.

577. Defendant is a person within the context of the KCPA, Kan. Stat. Ann. §§ 50-623 et seq. and specifically § 50-624(i)

578. Defendant is engaged in consumer transactions within Kansas with the context of the KCPA, Kan. Stat. Ann., § 50-624(c)

579. Defendant committed deceptive and unfair acts within the context of the KCPA, Kan. Stat. Ann., §§ 50-626(b)(1)(A), (D), (F), (b)(2), and (b)(3) as described in this complaint.

580. Defendant committed unconscionable acts and practices within the context of the KCPA, Kan. Stat. Ann., § 50-627 as described in this complaint.

581. Defendant committed unconscionable, deceptive and unfair trade practices including but not limited to deception, deceptive acts or practices, fraud, misrepresentations, unfair practices and/or concealment, suppression or omission of material facts with intent that others rely upon such concealment or misstatement in connection with the sale of its Refrigerators. Defendant also knowingly concealed, suppressed and consciously omitted material facts to Plaintiff Hardison and other members of the Kansas Class knowing that consumers would rely on the limited information available which excluded information about the Defects, to make decisions as to the purchase of the Refrigerators.

582. Defendant fraudulently, intentionally, negligently and/or recklessly misrepresented to Plaintiff Hardison and members of the Kansas Class the characteristics of Refrigerators with respect to quality, design and reliability.

583. Defendant extensively advertised that the Refrigerators were superior to others in design and touted their cooling capacity, compressors, ice makers and reliability. In fact, the

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Refrigerators had the Defects described in this complaint that caused them to be prone to premature failure.

584. Defendant's deceptive trade practices were likely to, and did, deceive reasonable consumers acting reasonably in making their purchasing decisions. As reasonable consumers, Plaintiff Hardison and members of the Kansas Class had no reasonable way to know that the Refrigerators contained the Defects. Any reasonable consumer under the circumstances would have relied on the representations of Defendant.

585. Defendant violated the KCPA by failing to inform purchasers prior to purchase and/or during the warranty period that the Refrigerators had the Defects.

586. Defendant committed unfair and deceptive trade practices as described in this complaint. Defendant repeatedly violated the KCPA on multiple occasions with its continuous course of conduct including omissions of material fact and misrepresentations concerning, *inter alia*, the causes of the Defects of the Refrigerators owned by Hardison and members of the Kansas Class

587. As a proximate and direct result of Defendant's unfair and deceptive trade practices, Plaintiff Hardison and members of the Kansas Class have suffered ascertainable loss, in that Plaintiff and the other Kansas Class members purchased Refrigerators they would not have purchased had they known the truth and/or overpaid for their Refrigerators and did not receive the benefit of their bargain, paid out of pocket costs relating to the Defects, and their Refrigerators have suffered a diminution in value (to the extent they are even operable). These injuries are the direct and natural consequence of Defendant's misrepresentations and omissions.

588. The conduct of Defendant offends established public policy, and Defendantengages in immoral, unethical, oppressive, and unscrupulous activities that are

substantially injurious to consumers (who were unable to have reasonably avoided the injury due to no fault of their own) without any countervailing benefits to consumers.

589. Plaintiff Hardison and members of the Kansas Class demand judgment against Defendant for damages, interest, costs, and attorneys' fees.

<u>COUNT XIII</u> Breach of Express Warranty (On Behalf of Plaintiffs and the Nationwide Class, or in the Alternative, the State Classes)

590. Plaintiffs reallege and incorporate by reference the allegations set forth in \P 1-409 above as though fully set forth herein.

591. This claim is pled on behalf of Plaintiffs and the Nationwide Class, or, in the alternative, on behalf of the New Jersey, New York, Texas, Florida, California, Kansas, Utah, Maryland, Illinois, and North Carolina Classes under the laws of those states.

592. Each of the aforementioned states has adopted the portions of the Uniform Commercial Code concerning warranty claims into its state statutory system.

593. Pursuant to Uniform Commercial Code ("U.C.C.") § 2-313, an affirmation of fact, promise, or description made by the seller to the buyer which relates to the goods and becomes a part of the basis of the bargain creates an express warranty that the goods will conform to the affirmation, promise, or description.

594. Defendant is a "merchant" and the Refrigerators are "goods" as defined under the U.C.C.

595. Plaintiffs and each member of the Class formed contracts with Defendant at the time they purchased their Refrigerators. The terms of that contract include the Defendant's claims regarding the Refrigerators' quality, including the Defective components, as set forth
above. That contract included Defendant's representations that the Refrigerators were especially competent at circulating air and making adjustments to keep food at appropriate temperatures and/or that they came with ice makers that would dispense ice and produce and store a certain amount of ice per day. This product advertising constitutes express warranties, became part of the basis of the bargain, and is part of a standardized contract between Plaintiffs and the members of the Class on the one hand, and Defendant on the other.

596. Defendant breached the terms of these contracts, including the express warranties, by failing to provide Refrigerators which provided the benefits advertised by Defendant – namely, Refrigerators that would keep food at appropriate temperatures and ice makers that could be expected to dispense ice rather than jamming, requiring defrosting, manual removal of ice and repeated repair and Refrigerators with compressors that would work for the reasonably expected useful life of the Refrigerators.

597. In addition, the Refrigerators are accompanied by a limited warranty that provides the following in pertinent part:

Should your LG Refrigerator ("Product") fail due to a defect in materials or workmanship under normal home use, during the warranty period set forth below, Defendant will at its option repair or replace the product. WARRANTY PERIOD

Refrigerator: One (1) year from the date of original retail purchase: Parts and Labor (internal/functional parts only) *** Linear Compressor: Ten (10) years from the date of the

original retail purchase: Parts only (Consumer will be charged for labor)

598. Defendant breached its warranty by selling to Plaintiffs and Class members Refrigerators with the Defects which Defendant knew and knows makes Refrigerators susceptible to failure within and just outside of the warranty period, and which causes the

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Refrigerators to fail prematurely and well before the expiration of the Refrigerators' useful life, and/or fail to function properly.

599. Defendant further breached its warranty by failing to adequately repair and/or replace Plaintiffs' and other Class members' defective compressors, fans, ice makers or related parts and components when they failed during the warranty period.

600. Specifically, despite the terms of the express warranty, Defendant has failed to provide adequate repairs, replacements, or refunds when the Refrigerators prematurely fail due to the Defects manifesting within the one-year refrigerator warranty period. Instead, Defendant routinely provides inadequate repairs that result in subsequent failures and warrant multiple additional repairs and result in expenses to consumers.

601. Accordingly, Defendant's limited remedy of repair or replacement is an inadequate remedy under the terms of the warranty such that the warranty fails of its essential purpose.

602. Defendant's attempt to disclaim or limit its express warranties is unconscionable and unenforceable under the circumstances here. Defendant knew or should have known that the Refrigerators are plagued by uniform Defects; Defendant had unequal bargaining power and misrepresented the reliability, quality, performance, and qualities of the Refrigerators; and the limited remedies in Defendant's warranty unreasonably favors Defendant and fail Plaintiffs' reasonable expectations concerning product performance.

603. Specifically, Defendant's warranty limitations are unenforceable because it knowingly sold a defective product without informing consumers about the Defects. Because Defendant had knowledge of the Defects and failed to disclose them prior to selling Refrigerators to Plaintiffs and Class members, and because Defendant knew that the Refrigerators were

defective and likely to fail shortly after the warranties purportedly expired, but failed to disclose the Defects to Plaintiffs and the other Class members, and because the remedy provided for under the terms of Defendant's warranty is inadequate and fails of its essential purpose, the oneyear durational warranty limitation (and all other limitations) is unenforceable because it is both procedurally and substantively unconscionable. Accordingly, consumers who have experienced Refrigerator failures due to the Defects should not be precluded from bringing warranty claims under the Defendant warranty.

604. Any purported warranty limitations excluding or limiting (a) labor and costs of labor and (b) incidental and consequential damages, are also procedurally and substantively unconscionable and thus fail under U.C.C. § 2-302.

605. Plaintiffs and Class members have complied with all obligations under the warranty, or otherwise have been excused from performance of said obligations as a result of Defendant's conduct described herein.

606. Defendant was provided notice of these issues by complaints lodged by consumers – including Plaintiffs as described supra, -- directly over the phone and through Defendant's website, on internet consumer complaint boards, and elsewhere—which appliance manufacturers like Defendant routinely monitor — and further through reports by repair technicians and/or others, and internal investigations that must have occurred to allow Defendant to address problems brought to them by customers, before or within a reasonable amount of time after the allegations of the Defects became public.

607. Demand letters were also sent on behalf of Plaintiff Saber (on June 22, 2016) and the Oney Plaintiffs (on August 7, 2017) as set forth herein. Moreover, in August 2017, Plaintiff Hillegas sent a letter to the CEO of LG describing the history of problems and failed repairs and

informing him that this is unacceptable for such a new unit. Defendant has received adequate notice of its breaches and opportunity to cure, but has failed to do so.

608. As a direct and proximate result of Defendant's breach of express warranties, Plaintiffs and Class members have suffered damages, injury in fact, and ascertainable loss in an amount to be determined at trial, including but not limited to repair and replacement costs, monetary losses associated with food spoliation, damage to other property, and loss of use of or access to refrigeration systems.

<u>COUNT XIV</u> Breach of the Implied Warranty of Merchantability (On Behalf of Plaintiffs and the Nationwide Class, or in the Alternative, the State Classes)

609. Plaintiffs reallege and incorporate by reference the allegations set forth in \P 1-409 above as though fully set forth herein.

610. This claim is pled on behalf of Plaintiffs and the Nationwide Class, or, in the alternative, on behalf of the New Jersey, New York, Texas, Florida, California, Kansas, Utah, Maryland, Illinois, and North Carolina Classes under the laws of those states.

611. Defendant is a "merchant" and the Refrigerators are "goods" as defined under the U.C.C.

612. Each of the aforementioned states has adopted the portions of the Uniform Commercial Code concerning warranty claims into its state statutory system.

613. Pursuant to U.C.C. § 2-314, an implied warranty that goods are merchantable is implied in every contract for a sale of goods. Defendant impliedly warranted that the Refrigerators were of a merchantable quality.

614. Defendant breached the implied warranty of merchantability because the Refrigerators were and are not of a merchantable quality due to the Defects, and the associated problems and failures in the Refrigerators caused by the Defects.

615. Plaintiffs' and Class members' interactions with Defendant suffice to create privity of contract between Plaintiffs and Class members, on the one hand, and Defendant, on the other hand; however, privity of contract need not be established nor is it required because Plaintiffs and Class members are intended third-party beneficiaries of contracts between Defendant and its authorized dealers, and specifically, of Defendant's implied warranties. Defendant's dealers and distributors are intermediaries between Defendant and consumers. These intermediaries sell Refrigerators to consumers and are not, themselves, consumers of Refrigerators, and therefore have no rights against Defendant with respect to Plaintiffs' and Class members' purchases of Refrigerators. Defendant's warranties were designed for the benefit of consumers who purchased Refrigerators.

616. As set forth herein, Defendant's attempt to disclaim or limit the implied warranty of merchantability vis-à-vis consumers is unconscionable and unenforceable here. Specifically, Defendant's warranty limitations—including any purported limitations on implied warranties—are unenforceable because Defendant knowingly sold a defective product without informing consumers about the Defects.

617. Plaintiffs and Class members have complied with all obligations under the warranty or otherwise have been excused from performance of said obligations as a result of Defendant's conduct described herein.

618. Defendant was provided notice of these issues by complaints lodged by consumers – including Plaintiffs as described supra, -- directly over the phone and through

Defendant's website, on internet consumer complaint boards, and elsewhere—which appliance manufacturers like Defendant routinely monitor— and further through reports by repair technicians and/or others, and internal investigations that must have occurred to allow Defendant to address problems brought to them by customers, before or within a reasonable amount of time after the allegations of the Defects became public.

619. Demand letters were also sent on behalf of Plaintiff Saber (on June 22, 2017) and the Oney Plaintiffs (on August 7, 2017) as set forth above. Moreover, in August 2017, Plaintiff Hillegas sent a letter to the CEO of LG describing the history of problems and failed repairs and informing him that this is unacceptable for a such a new unit. Defendant has received adequate notice of its breaches and opportunity to cure, but has failed to do so.

620. As a direct and proximate result of the breach of implied warranties of merchantability, Plaintiffs and Class members were injured and are entitled to damages.

<u>COUNT XV</u> Magnuson-Moss Warranty Act – Claim for Breach of Express and Implied Warranty (15 U.S.C. §§ 2301, *et seq.*) By Plaintiffs, Individually and on Behalf of the Nationwide Class

621. Plaintiffs reallege and incorporate by reference $\P\P$ 1-409 above as though fully set forth herein.

622. Plaintiffs bring this claim on behalf of the Nationwide Class.

623. This Court has jurisdiction to decide claims brought under 15 U.S.C. § 2301 by virtue of 28 U.S.C. § 2301(3).

624. Defendant's affected Refrigerators are a "consumer product," as that term is defined in 15 U.S.C. § 2301(1).

625. Plaintiffs and the other members of the Classes are "consumers," as that term is defined in 15 U.S.C. § 2301(3).

626. Defendant is a "warrantor" and a "supplier," as those terms are defined in 15 U.S.C. §§ 2301(4) and (5), respectively.

627. Defendant provided Plaintiffs and Class members with "express warranties" as that term is defined by 15 U.S.C. § 2301(6).

628. Plaintiffs, and each member of the Classes, formed a contract with Defendant at the time Plaintiffs and the other members of the Classes purchased their Refrigerators. The terms of that contract include the claims and omissions regarding the Defective components, as set forth above. This product advertising constitutes express warranties, became part of the basis of the bargain, and is part of a standardized contract between Plaintiffs and the members of the Classes on the one hand, and Defendant on the other.

629. Plaintiffs and the Class members relied on these express warranties in Defendant's advertising and warranties as being a part of the bargain between the parties.

630. Defendant provided Plaintiffs and Class members with "implied warranties" as that term is defined by 15 U.S.C. § 2301(7).

631. All conditions precedent to Defendant's liability under the contract have been performed by Plaintiffs and the Class members.

632. Defendant breached the terms of this contract, including the express and implied warranties with Plaintiffs and the Nationwide Class members, by failing to provide Refrigerators which provided the benefits advertised by Defendant – namely, by failing to provide Refrigerators that would reliably keep food at appropriate temperatures and have a reasonable product life, and further, including the Express Warranties between Plaintiffs and the Nationwide Class and LG, by failing to provide ice makers that would reliably produce and dispense ice. Defendant breached its implied warranties with the members of each of these classes by failing

to provide Refrigerators that were fit for their ordinary purposes and the purposes for which Defendant knew that Class members intended to use them, including reliable ice making and ice dispensing, and by failing to provide Refrigerators that would pass without objection in the trade under their description.

633. There is privity between Defendant, Plaintiffs and the members of the Nationwide Class by Defendant's direct warranties and/or because Plaintiffs and the Class were intended third-party beneficiaries of the implied warranty made by Defendant.

634. Any efforts to limit the implied warranties in a manner that would exclude coverage of the Refrigerators is unconscionable, and any such effort to disclaim, or otherwise limit, liability for the Refrigerators is null and void.

635. Any limitations on the warranties are procedurally unconscionable. There was unequal bargaining power between the Defendant, on the one hand, and Plaintiffs and the other Class members, on the other.

636. Any limitations on the warranties are substantively unconscionable. Defendant knew that the Refrigerators were defective and likely to fail shortly after the warranties purportedly expired. Defendant failed to disclose the Defects to Plaintiffs and the other Class members. Thus, Defendant's enforcement of the durational limitations on those warranties is harsh, unconscionable and shocks the conscience.

637. As a result of its breaches of express and implied warranties, Plaintiffs and the members of the Nationwide Class have been damaged in an amount to be proven at trial.

<u>COUNT XVI</u> Negligent Misrepresentation By Plaintiffs, Individually and on Behalf of the Nationwide Class

638. Plaintiffs repeat the allegations contained set forth in ¶¶ 1-409 above as if fully set forth herein.

639. Plaintiffs bring this claim individually and on behalf of the members of the Nationwide Class.

640. As set forth herein, Defendant routinely represented that the Refrigerators were "superior" to other refrigerators at maintaining food at appropriate temperatures and keeping it fresh with constantly circulating air and made other false statements about the Refrigerators' cooling capacity and reliability. Defendant also represents the Refrigerators as having ice makers that can be relied on to distribute ice. To communicate these representations and to convince Plaintiffs and members of the Classes, Defendant supplied information, including through its website, the website of its authorized retailers, its printed materials, its repair warranties, and its point of sale documentation. Defendant knew, or should have known, that this information was false and/or misleading and fraught with material omissions.

641. The misrepresentations concerned material facts that influenced Plaintiffs' and members of the Classes' decisions to purchase the Refrigerators.

642. Defendant negligently made the misrepresentations and omissions with the understanding the Plaintiffs and Class members would rely on them.

643. Plaintiff and members of the Classes reasonably, justifiably, and detrimentally relied on the misrepresentations and omissions, and, as a direct and proximate result thereof, have and will continue to suffer damages in an amount to be determined at trial.

<u>COUNT XVII</u> Common Law Fraud By Plaintiffs, Individually and on Behalf of the Nationwide Class

644. Plaintiffs repeat the allegations set forth in $\P\P$ 1-409 above as if fully set forth herein.

645. Plaintiffs bring this claim individually and on behalf of the members of the Nationwide Class.

646. As detailed herein, Defendant made material misrepresentations of facts and/or fraudulently concealed from and/or intentionally failed to disclose the Defects to Plaintiffs and members of the Nationwide Class.

647. Defendant had exclusive knowledge of the truth at the time of sale. The misstatements and omissions were made with knowledge of their falsity and with the intent that Plaintiffs and members of the Class would rely on the facts as represented.

648. Defendant charged a premium for the falsely represented features in the Refrigerators.

649. The Defects are latent and not something that Plaintiffs or members of the Class, in the exercise of reasonable diligence, could have discovered independently prior to purchase, because it is not feasible for individual consumers to conduct their own extensive review of all similar products manufactured by a manufacturer prior to purchase. The Defects would not be disclosed by careful, reasonable inspection by the purchasers.

650. Defendant had the capacity to, and did, deceive Plaintiffs and members of the Class into believing that the Refrigerators they were purchasing were among the most effective at keeping food at appropriate temperatures, that they had functionally designed ice makers and that they could have "Peace of Mind" with respect to the longevity of the product.

651. Defendant undertook active and ongoing steps to conceal the Defects. Plaintiffs are aware of nothing in Defendant's advertising, publicity, or marketing materials that discloses

the truth about the Defects, despite Defendant's awareness of the problem. Defendant had a duty to disclose accurate information about the Defects at the time of sale.

652. The facts misrepresented and/or concealed and/or not disclosed by Defendant to Plaintiffs and members of the Class are material facts in that a reasonable person would have considered them important in deciding whether to purchase (or to pay the same price for) a refrigerator.

653. Plaintiffs and the Class justifiably acted or relied upon the misrepresented or omitted facts to their detriment, as evidenced by their purchase of the Refrigerators.

654. Plaintiffs and members of the Class reasonably, justifiably, and detrimentally relied on the misrepresentations and omissions, and, as a direct and proximate result of Defendant's deceptive, fraudulent and unfair practices, have and will continue to suffer damages in an amount to be determined at trial.

<u>COUNT XVIII</u> Unjust Enrichment By Plaintiffs Individually and on Behalf of the Nationwide Class

655. Plaintiffs repeat and reallege the allegations set forth in $\P\P$ 1-409 above as if set forth fully herein.

656. Plaintiffs bring this claim individually and on behalf of the Nationwide Class.

657. Plaintiffs make this claim in the alternative to the warranty claims set forth above.

658. As a result of Defendant's material deceptive advertising, marketing and/or sale of its Refrigerators, Defendant was enriched at the expense of Plaintiffs and all other Nationwide Class members through their purchase of the Refrigerators, because the Refrigerators did not provide the benefits as represented. 659. There is privity between Defendant, Plaintiffs and the members of the Class by because Defendant intended to sell the Refrigerators to Class Members, not to its retailers.

660. Under the circumstances, it would be against equity and good conscience to permit Defendant to retain the ill-gotten benefits it received from Plaintiffs and the Class as the result of its deceptive marketing and advertising practices. Thus, it would be unjust or inequitable for Defendant to retain the benefit without restitution to Plaintiffs and the Class.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs pray for judgment:

A. Certifying the Classes as requested herein;

B. Appointing Plaintiffs as Class representatives for the Classes and their undersigned counsel as Class counsel;

C. Awarding Plaintiffs and the proposed Class members damages;

D. Awarding statutory damages, including punitive and/or treble damages, to the extent available;

E. Awarding restitution and disgorgement of Defendant's revenues and profits to Plaintiffs and the proposed Class members;

F. Awarding injunctive relief as permitted by equity, including: enjoining Defendant from continuing the unlawful practices as set forth herein, and directing Defendant to identify, with Court supervision, victims of its conduct and pay them restitution and disgorgement of all monies acquired by Defendant by means of any act or practice declared by this Court to be wrongful;

G. Ordering Defendant to engage in a corrective advertising campaign;

H. Awarding attorneys' fees and costs; and

I. Providing such further relief as may be just and proper.

DEMAND FOR JURY TRIAL

661. Plaintiffs hereby demand a trial of their claims by jury to the extent authorized by

law.

Dated: September 5, 2017

WOLF HALDENSTEIN ADLER FREEMAN & HERZ LLP

<u>/s/ Janine L. Pollack</u> JANINE L. POLLACK (N.J. State Bar No. 041671989; D.N.J. No. JP-0178) Matthew M. Guiney Kate McGuire 270 Madison Avenue New York, New York 10016 Tel: (212) 545-4600 Fax: (212) 545-4653 pollack@whafh.com guiney@whafh.com mcguire@whafh.com

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Proposed Interim Co-Lead Counsel for Plaintiffs and the Putative Class

UNITED STATES DISTRICT COURT DISTRICT OF NEW JERSEY

DENNIS JUNG individually and on behalf of all others similarly situated,

Plaintiffs,

v.

LG ELECTRONICS USA, INC.,

Defendant.

No. 2:17-cv-03664

JURY TRIAL DEMANDED

DECLARATION OF BENJAMIN F. JOHNS RE: CLRA VENUE

I, Benjamin F. Johns, hereby declare and state as follows:

1. I have personal knowledge of the facts stated herein and, if necessary, could competently testify thereto.

2. I am Counsel for Plaintiffs in the above-captioned action.

3. Pursuant to CAL. CIV. CODE § 1780(d), I make this declaration in support of the Amended Class Action Complaint and Demand for Jury Trial (the "Complaint"), and the claim therein for relief pursuant to the California Consumers Legal Remedies Act, CAL. CIV. CODE § 1780(a) (the "CLRA").

4. The Complaint in this matter contains causes of action for, *inter alia*, violations of the CLRA, brought against LG Electronics U.S.A., Inc., a Delaware corporation with a principal executive office located at 1000 Sylvan Ave, Englewood Cliffs, NJ, 07632, and which does business nationwide.

5. This action for relief under CAL. CIV. CODE § 1780(a) has been commenced in a county that is a proper place for trial because Defendant has its principle place of business in this District—the District of New Jersey—and does business throughout the state of New Jersey.

I declare that the foregoing Declaration is true and correct to the best of my knowledge, and was executed by me in the city of Haverford, Pennsylvania, on September 5, 2017.

By: _

Benjamin F. Johns

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UNITED STATES DISTRICT COURT DISTRICT OF NEW JERSEY

DENNIS JUNG, individually and on behalf of all others similarly situated,

Plaintiffs,

v.

No. 2:17-cv-03664

Venue Affidavit

LG ELECTRONICS USA, INC.,

Defendant.

I, DENISE HERNANDEZ, hereby declare that:

1. I am a plaintiff in the above-captioned action, and am a citizen of the state of California. I have obtained personal knowledge of the facts set forth below, and, if called as a witness, I could and would testify competently thereto. I make this affidavit as required by California Civil Code § 1780(d).

2. The complaint filed in this matter contains causes of action for violations of the Consumers Legal Remedies Act against LG Electronics U.S.A., Inc. ("LG"), a Delaware corporation doing business nationwide, with headquarters located in Englewood Cliffs, Bergen County, New Jersey.

3. The Complaint in this action is filed in a proper place for the trial of this action because defendant LG is headquartered in and doing business in Bergen County, New Jersey, and because LG conducts a substantial amount of business in the District of New Jersey. The Complaint in this action is further filed in a proper place for the trial of this action because a substantial portion of the transactions that are the subject of the action occurred in the District of New Jersey.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct, and was executed by me in Salinas, California, on September 5, 2017.

Denise Hernandez