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8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 COUNTY OF ORANGE - CENTRAL JUSTICE CENTER

10
11 CHRISTY LEWIS, an individual,

12 Plaintiff

13 v.

14 FLETCHER JONES MOTOR CARS,
15 INC., a California corporation, and
16 DOES 1 through 75,

17 Defendants.

Case No.: 30-2011-00441338-CU-BT-CJC

SECOND AMENDED COMPLAINT FOR
VIOLATION OF VEHICLE LEASING ACT

1 E350. Based on the down payment that Plaintiff could afford, Plaintiff's income, and
2 credit score, Defendant's lender(s) would not finance the loan needed for Plaintiff to
3 lease such an expensive car. The Dealership informed Plaintiff that she would need to
4 make a down payment of at least \$6,000 in order to be financed. However, Plaintiff was
5 unable to make an immediate payment in that amount.

6 12. Plaintiff and the Dealer then agreed that Plaintiff would make an
7 immediate down payment of \$2,000, Plaintiff would immediately take delivery of the
8 vehicle, and then Plaintiff would pay an additional \$4,000 in a couple of weeks.

9 13. Because the Dealership knew that the Dealership's lender(s) would not
10 finance this arrangement (*i.e.*, which included an immediate down payment of only
11 \$2,000) the Dealership intentionally falsified Plaintiff's down payment in the lease
12 contract. Specifically, the lease contract stated that Plaintiff was making an immediate
13 down payment of \$6,000, and contained no mention of the fact that \$4,000 of this
14 amount would actually be paid a couple of weeks after the vehicle's delivery. The
15 Dealership did this with the intention of defrauding the lender into financing the lease
16 (which it otherwise would not have done) and getting Plaintiff financed for a predatory
17 loan that she could not afford. But for the Dealership's falsification of the lease
18 documents, Plaintiff would not have leased the Mercedes E350.

19 14. Plaintiff did not understand the complex lease documentation, did not
20 know that the Dealership was violating applicable laws, did not know that the
21 Dealership was falsifying the payment schedule, and did not know the reasons for the
22 Dealership's illegal actions.

23 15. The resulting lease contract, which Plaintiff signed, contained no mention
24 of the \$4,000 payment that Plaintiff was to make a couple of weeks after delivery, and
25 did not state the date on which this amount was to be paid. A copy of Plaintiff's lease
26 contract is attached hereto as Exhibit 1.
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1 16. The Dealership insisted that Plaintiff immediately provide a check for the
2 \$4,000 that she had agreed to pay a couple of weeks after the vehicle's delivery, which
3 she did.

4 17. Partly because of the fact that the lease contract did not state the date
5 upon which Plaintiff was obligated to make the \$4,000 payment, Plaintiff incurred
6 dishonored check charges when the Dealership attempted to cash the check prior to the
7 time when Plaintiff expected the check to be cashed.

8 18. Because of the predatory finance terms, which Plaintiff could not afford,
9 throughout the term of the lease Plaintiff incurred missed payment penalties and
10 additional interest charges.

11 19. In preparing the lease documents, the Dealership also prepared an
12 additional document (separate and apart from the lease contract) entitled
13 "Acknowledgement of Anti-Export Policy," which stated that Plaintiff would be liable for
14 and have to pay the Dealership \$10,000 if Plaintiff exported the Mercedes E350 from
15 the Dealership's sales territory. This document expressly stated that Plaintiff's signature
16 on the Mercedes E350's lease contract constituted acceptance of
17 "Acknowledgement of Anti Export Policy" document's terms. A copy of the
18 "Acknowledgment of Anti-Export Policy" document that Plaintiff signed is attached
19 hereto as Exhibit 2.

20 20. The lease contract for the Mercedes E350 contains no mention of the "Anti
21 Export Policy" penalty or its amount.

22 21. Section 23(b) of Plaintiff's lease contract states that any violation of the
23 Anti-Export Policy amounts to a default under the lease.

24 22. Violation of the Dealership's "Anti-Export Policy" amounts to a default
25 under Plaintiff's lease contract for the Mercedes E350 pursuant to Section 23(b) of the
26 lease contract.

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FIRST CAUSE OF ACTION

Vehicle Leasing Act

23. Plaintiff hereby incorporates by reference the allegations in Paragraphs 1 through 21 of this Complaint.

24. The Lease Contract for the Mercedes E350 is a "lease contract" under the VLA.

25. The Dealership is a "lessor" under the VLA.

26. Plaintiff is a "lessee" under the VLA.

27. The Mercedes E350 is a "motor vehicle" under the VLA.

28. Civil Code Section 2985.8(c)(1) requires that all lease contracts contain all of the disclosures required by 12 C.F.R. 213.4.

29. 12 C.F.R. 213.4(q) requires that all lease contracts expressly disclose therein the amount (or method of determining the amount) for any penalties or other charges for defaults under the lease.

30. The Dealership violated Civil Code Section 2985.8(c)(1) by failing to include in the written lease contract a disclosure that Plaintiff would be charged \$10,000 if she failed to abide by the Dealership's "Anti-Export Policy."

31. Civil Code Section 2985.8(a) requires that all motor vehicle lease contracts subject to the VLA contain in a single document all of the agreements between the lessor and the lessee with respect to the obligations of each party (hereafter referred to as the "Single Document Rule").

32. The Dealership violated the Single Document Rule by failing to disclose the terms of the Dealership's Anti-Export Policy and the \$10,000 charge for violating the Policy in Plaintiff's lease contract.

33. 12 C.F.R. 213.4(b) (which is incorporated by reference into the VLA by Civil Code Section 2985.8(c)(1)) requires that all lease contracts accurately state the amount to be paid by the lessee at the time the lessee takes delivery of the vehicle.

