PLAINTIFFS' MOTION FOR ADMINISTRATIVE RELIEF

CASE NO. C-08-04969 JF

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Gomelsky v. Apple, Inc.

CALDWELL LESLIE & PROCTOR Pursuant to Local Civil Rule 7-11, Plaintiffs respectfully move this Court for an opportunity to conduct limited, narrowly focused discovery of facts known exclusively to defendant Apple, Inc. ("Apple") before filing the Third Amended Complaint contemplated by the Court's order of April 7, 2010. Pursuant to Local Rule 7-12, Plaintiffs, through counsel, have requested that Apple enter into a stipulation providing for the relief requested herein. Apple declined to so stipulate.

The Second Amended Complaint ("SAC") alleged in part that Apple committed a fraudulent business practice in violation of California's Unfair Competition Law ("UCL") by marketing PowerBook G4 computers with defective memory slots. The Court, in its April 7 order, dismissed this claim with leave to replead, citing the "reasonable possibility that Plaintiffs could provide additional factual support." Order at 15. The Court also dismissed plaintiffs' unjust enrichment claim with leave to replead. *Id*.

In revising the complaint, Plaintiffs are guided by the Court's recent decision in another consumer class action decided after briefing was completed in the instant case, *Tietsworth v. Sears, Roebuck & Co.*, No. 5:09-CV-00288 JF (HRL) (Mar. 31, 2010). A crucial issue in both decisions was whether the complaint adequately alleged a duty to disclose material facts concerning the product's defects. In *Tietsworth*, the Court held that a duty to disclose arises "when the defendant had exclusive knowledge of material facts not know to the plaintiff," or "when the defendant actively conceals a material fact from the plaintiff." *Tietsworth*, at 10 (citations omitted).

In this action, the SAC alleged with as much specificity as practicable Apple's knowledge and deliberate concealment of the memory slot defect. Among other things, the SAC alleged that Apple knew of the defect due to pre-sale testing, a limited warranty program that applied to only certain PowerBooks, numerous complaints that consumers posted on Apple's web site, and Apple's deletion from its web site of a discussion thread containing over 350 posts about the PowerBook

memory slot defect. SAC ¶¶ 31-33, 44-48, 86. As Plaintiffs understand it, the Court found these allegations somewhat persuasive, but insufficient to establish corporate knowledge of the memory slot defect. See Order at 13. In Tietsworth, the Court gave great weight to allegations that the defendants jointly developed a protocol for responding to customer complaints about the alleged defect, and agreed to share the cost of replacing the defective parts. The Court also relied on an allegation that a Sears engineer was aware of, and specifically commented on, the alleged defect. See Tietsworth, at 12.

Without conceding that the SAC was inadequate, Plaintiffs believe narrowly targeted discovery will enable them to frame sufficient allegations that Apple knew of the memory slot defect and intentionally concealed it, which will survive Apple's inevitable motion to dismiss. Indeed, such discovery may be the only means by which to adduce additional allegations in circumstances where the "defendant had exclusive knowledge of material facts not known to the plaintiff." See id. at 10.

Accordingly, to satisfy the Court's requirements for the Third Amended Complaint, Plaintiffs respectfully request (i) an opportunity to serve not more than five document requests on Apple; (ii) a one-day deposition of an Apple designee pursuant to Federal Rule of Civil Procedure 30(b)(6), limited to Apple's knowledge of the alleged defect, the sources of its knowledge, its responses to information and complaints received about the defect, and its concealment thereof; and (iii) sufficient time to amend the complaint based on such discovery.

CALDWELL LESLIE & PROCTOR

| 1                            | DATED: April 22, 2010 | Respectfully submitted,   |
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