Zack Domb, SBN 265185 FELAHY LAW GROUP 4000 Cover Street, Suite 100 Long Beach, CA 90808

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	UNITED STATES D CENTRAL DISTRIC					
JETHRO MAGAT, an individua	l, on behalf of himself	CASE NUMBER				
and all others who are similarly situated		SA 11 CV 00938 DOLCRNBX				
v.	PLAINTIFF(S)	J;; (
APPLE INC., a California Corpo	oration; and DOES 1					
through 10, inclusive		SUMMONS				
	DEFENDANT(S).					
must serve on the plaintiff an ans □ counterclaim □ cross-claim or or motion must be served on the p 4000 COVER STREET, SUITE	service of this summons wer to the attached of control a motion under Rule 12 plaintiff's attorney, FEL 100, LONG BEACH, Control against you for the results.	s on you (not counting the day you received it), you omplaint of the Federal Rules of Civil Procedure. The answer AHY LAW GROUP A 90808 If you fail to do so, dief demanded in the complaint. You also must file				
Dated:		By: Deputy & Plank				

CV-01A (12/07) SUMMONS

[Use 60 days if the defendant is the United States or a United States agency, or is an officer or employee of the United States. Allowed 60 days by Rule 12(a)(3)].

UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA CIVIL COVER SHEET

I (a) PLAINTIFFS (Check box if you are representing yourself □) JETHRO MAGAT, an individual, on behalf of himself and all others who are similarly situated			ers who are	DEFENDANTS APPLE INC., a California Corporation: AT&T Corp., a New York corporation: and DOES I through 10 st inclusive						
(b) Attorneys (Firm Name, Ayourself, provide same.) FELAHY LAW GROUP 4000 Cover Street, Suite Long Beach, CA 90808	·	er. If you are	representing A	ttomeys (If Known)				-	
II. BASIS OF JURISDICTIO	N (Place an X in one box only	y.)	III. CITIZENSH	IP OF P	RINCIPAL PAR	TIES -	For Diversity Case	es Only		
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V. REQUESTED IN COMPL CLASS ACTION under F.R.C		Yes □	No (Check 'Yes' o	-	nanded in compla EMANDED IN C	•	AINT: \$			
VI. CAUSE OF ACTION (Cit	e the U.S. Civil Statute under uding Violation of the Federa	which you a	are filing and write	a brief sta	tement of cause.	Do not c	ite jurisdictional st	atutes unless	s diversity.)	
VII. NATURE OF SUIT (Place		ii Communic	ations Act, Floduc	is madiniy	, memonai misi	epresent	ation, Negligent mi	isrepresentat	tion, Fraud	
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FOR OFFICE USE ONLY:

AFTER COMPLETING THE FRONT SIDE OF FORM CV-71, COMPLETE THE INFORMATION REQUESTED BELOW.

UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA CIVIL COVER SHEET

VIII(a). IDENTICAL CASES: H. If yes, list case number(s):	as this action been p	viously filed in this court and dismissed, remanded or closed?	☑ No □ Yes	
VIII(b). RELATED CASES: Har If yes, list case number(s): 10-cv-(ve any cases been pro 12862	riously filed in this court that are related to the present case? [□ No 🗹 Yes	
⊠ B. □ C.	Arise from the same Call for determinat For other reasons w	e and the present case: or closely related transactions, happenings, or events; or on of the same or substantially related or similar questions of laboral substantial duplication of labor if heard by different ent, trademark or copyright, and one of the factors identified a	t judges; or	
		on, use an additional sheet if necessary.)		
☐ Check here if the government,	its agencies or empl	etside of this District; State if other than California; or Foreign yees is a named plaintiff. If this box is checked, go to item (b)	Country, in which EACH named plaintiff resides.	
County in this District:*		California County outside of this	District; State, if other than California; or Foreign Country	
Los Angeles County				
(b) List the County in this District ☐ Check here if the government,	California County o	ntside of this District; State if other than California; or Foreign yees is a named defendant. If this box is checked, go to item (Country, in which EACH named defendant resides.	
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		Santa Clara County (Apple, 1	nc.): New York (AT&T Corp.)	
(c) List the County in this District Note: In land condemnation		tside of this District: State if other than California; or Foreign of the tract of land involved.	Country, in which EACH claim arose.	
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* Los Angeles, Orange, San Berna Note: In land condemnation cases, u		ntura, Santa Barbara, or San Luis Obispo Counties tract of ladd freelved		
X. SIGNATURE OF ATTORNEY	(OR PRO PER):	Date_	6/22/11	
or other papers as required by la	w. This form, appro	vil Cover Sheet and the information contained herein neither re ed by the Judicial Conference of the United States in September of statistics, venue and initiating the civil docket sheet. (For mo	1974, is required pursuant to Local Rule 3-1 is not filed	
Key to Statistical codes relating to S	ocial Security Cases		***	
Nature of Suit Code	Abbreviation	Substantive Statement of Cause of Action		
861	НІА	All claims for health insurance benefits (Medicare) under Ti Also, include claims by hospitals, skilled nursing facilities, e program. (42 U.S.C. 1935FF(b))		
862	BL	All claims for "Black Lung" benefits under Title 4, Part B, of the Federal Coal Mine Health and Safety Act of 1969. (30 U.S.C. 923)		
863	DIWC	All claims filed by insured workers for disability insurance benefits under Title 2 of the Social Security Act, as amended; plus all claims filed for child's insurance benefits based on disability. (42 U.S.C. 405(g))		
863	DIWW	All claims filed for widows or widowers insurance benefits l Act, as amended. (42 U.S.C. 405(g))	pased on disability under Title 2 of the Social Security	
864	SSID	All claims for supplemental security income payments based Act, as amended.	upon disability filed under Title 16 of the Social Security	
865	RSI	All claims for retirement (old age) and survivors benefits und U.S.C. (g))	der Title 2 of the Social Security Act, as amended. (42	

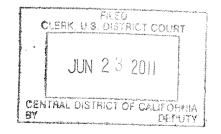
CV-71 (05/08)

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Attorneys for Plaintiff Jethro Magat



UNITED STATES DISTRICT COURT CENTRAL DISTRICT OF CALIFORNIA

JETHRO MAGAT, an individual, on behalf of himself and all others who are similarly situated

Plaintiff.

VS.

APPLE INC., a California Corporation: and DOES 1 through 10% inclusive,

Defendants.

SAIICVO0938 DOCLENB **CLASS ACTION COMPLAINT**

Products Liability - Negligence; Products Liability - Defect in Design, Manufacture, and Assembly;

3. Products Liability - Breach of Express and Implied Warranty of Merchantability;

Intentional Misrepresentation:

Negligent Misrepresentation;

6. Fraud by Concealment:

7. Unfair Business Practices (California Business and Professional Code § 17200);

8. Unjust Enrichment.

DEMAND FOR JURY TRIAL

Plaintiff Jethro Magat, ("plaintiff"), on behalf of himself and all others similarly situated, brings this complaint against Apple Inc., ("Defendant"), and alleges as follows:

INTRODUCTION

This is a class action against Defendant that arises from their defective design and 1. manufacturing of the Apple iPhone 4 (the "iPhone 4"), manufactured and marketed by Defendant. The iPhone 4 manifests design and manufacturing defects that were known to Defendant before it was released which were not disclosed to consumers, namely, a connection problem caused by the iPhone 4's antenna configuration that makes it difficult or impossible to maintain a

connection. Defendants have failed to provide customer support to assist iPhone 4 customers regarding this defect. Consumers are left with three options: hold their phones in an awkward and unnatural manner; return their phones and pay 10% "restocking fee", or purchase Apple's own "bumper" cases for their phones, costing \$29.95 in addition to the premium they have already paid for the phones themselves, which may somewhat ameliorate the iPhone 4's defects.

THE PARTIES

- Plaintiff Jethro Magat is, and at all relevant times hereto has been, a resident of the State of California. Plaintiff purchased an iphone 4 phone on January 19, 2011 at an AT&T retail store in Orange, California.
- 3. Defendant Apple Inc. ("Apple") is a California corporation that maintains its principal place of business at 1 Infinite Loop, Cupertino, California, USA, 95014. Apple has developed, designed, manufactured, assembled, branded, promoted, marketed, distributed and/or sold the Product throughout the United States.
- 4. Plaintiff is ignorant of the true names of Defendants DOES 1 through 10€, inclusive, and therefore sues these Defendants by such fictitious names. Plaintiff will amend this complaint to allege their true names and capacities when ascertained, together with apt and proper charging words. Plaintiff is informed and believes and on that basis alleges that each of the fictitiously named DEFENDANTS is responsible in some manner for the occurrences alleged in the complaint and that Plaintiff's injuries, as alleged, were proximately caused by the acts or omissions of each of them. APPLE and DOES 1-10€ shall hereinafter be collectively referred to as DEFENDANTS.
- 5. Plaintiff is informed and believes and on that basis alleges that each of the DEFENDANTS, including DOES, were and are the agents, employees, servants, subsidiaries, partners, members, associates, or representatives of each other Defendant, including DOES, and all of the things alleged to have been done by the DEFENDANTS, and each of them, were done in the course and scope of the

agency, employment, service, or representative relationship and with the knowledge and consent of their respective principals, employers, masters, parent corporations, partners, members, associates, or representatives. In committing the unlawful and wrongful acts as alleged herein, Defendants planned and participated in and furthered a common scheme by means of manufacturing, marketing and selling the Product despite the Product's inability to maintain connectivity. Further, Defendants failed to provide adequate customer service to Plaintiff and the Class to cope with this defect.

CLASS ACTION ALLEGATIONS

- 6. Plaintiff brings these actions on behalf of himself and all other persons similarly situated within the United States of America, or such states as the Court determines to be appropriate. These actions have been brought and may properly be maintained pursuant to the provisions of Federal Rules of Civil Procedure 23(a)(1)-(4), 23(b)(3), and 23(c)(4)(A) and satisfy the numerosity, commonality, typicality, adequacy, predominance, and superiority requirements.
- 7. The Class is currently defined as follows: "All persons within the United States who have purchased an Apple iPhone 4 since June 15, 2010."

A. Numerosity

- 8. Class members are so numerous that individual joinder of all members is impracticable. While the precise number of Class members has not been determined at this time, and the facts to determine that number presently are within Defendants' sole control, based on public reports Plaintiff believes the number of Class members who have bought the iPhone 4 during the class period is over 1.7 million people.
- 9. Class members are readily ascertainable. Defendants' sales and service records contain information as to the number and location of all Class members. Because Defendants should have accurate and detailed sales and service information

regarding individual Class members and up-to-date contact information, including their e-mail or SMS addresses, an easy and accurate method is available for identifying and notifying Class members of the pendency of this action.

B. Commonality

- 10. Common questions of law and fact predominate over questions affecting individual Class members. These common questions of law and fact include the following:
 - (a) Whether Defendants advertised and sold the Apple iPhone 4 by promoting the Product's speed and performance, when in fact the actual performance was materially different, and worse, than the promises and claims made by Defendants;
 - (b) Whether Defendants were negligent in the design, manufacturing, and distribution of the iPhone 4:
 - (c) Whether the iPhone 4 units designed, manufactured, marketed, distributed, or sold by Defendant from June 15, 2010 until the present unfit for their intended purpose and use because of their design;
 - (d) Whether Defendants breached any warranties in selling the iPhone 4 units;
 - (e) Whether Defendants intentionally misrepresented material facts relating to the character and quality of the iPhone 4;
 - (f) Whether Defendants failed to disclose material facts about limitations in the speed and performance characteristics of the Apple iPhone 4 to consumers, and;
 - (g) Whether Defendants forced Class members to pay unjust charges for the goods and services they were sold by Defendants, as well as whether that failure violates statutory and common law prohibitions

C. Typicality

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Plaintiff's claims are typical of the claims of the Class. Plaintiff sustained injury 11. and a loss of money or property arising from, and as a result of, Defendants' unlawful common course of conduct. Plaintiff purchased the Apple iPhone based in substantial part on the uniformly advertised claim of the phone having the characteristics of increased data transfer speed and greater performance than the phone provides. Those representations were a substantial factor in their decision to purchase the Apple iPhone 4. Plaintiff has received, at best, sporadic speed or connection with his Apple iPhone 4. He did not receive any disclosures from Defendants Apple before or after purchase explaining the material limitations in the Apple iPhone 4 and how its design materially reduces its performance such that the phones do not in fact provide connectivity and access, as a result of the iPhone 4's inherently defective design and manufacture. As a result, Plaintiff was sold a defective iPhone 4 unit, which drops calls and data service when held in a manner consistent with normal cellular phone use. Plaintiff has experienced numerous dropped calls and data connections, and as a result, Plaintiff is left with a device that cannot be used for the normal purpose and in the normal manner in which such devices are intended to be used. Plaintiff is unable to return the phone without incurring a substantial restocking fee. As a result of the defect in the iPhone 4, Plaintiff has suffered monetary damages. Defendants' design, manufacture, marketing, distribution, or sale of the defective iPhone has directly and proximately caused all class members to suffer injury. Accordingly, Plaintiff has been subjected to substantially the same wrongdoing as all other class members. Plaintiff and all class members have sustained identical monetary damages due to the purchase of the defective iPhone 4 product.

D. Adequacy of Representation

- Plaintiff can fairly and adequately represent and protect the Class's interests.

 Plaintiff's claim is both typical of the Class' claim and is based on facts that are common to the Class. The Plaintiff has suffered injuries and damages arising from Defendants' conduct similar to the injuries and damages suffered by the Class. As such, Plaintiff can adequately represent the Class because he seeks the same or similar remedies that would be available to other Class members. No irreconcilable conflicts exist between the positions of Plaintiff and those of the Class members.
- 13. Plaintiff has retained attorneys who are competent and experienced in litigating significant class actions to represent their interests and that of the Class. Counsel have significant experience in handling class actions and the types of claims asserted herein, and have been appointed as class counsel by courts in other actions. Plaintiff and his counsel already have done significant work in identifying and investigating the potential claims in this action, and are willing to devote the necessary resources to vigorously litigate this action. Plaintiff and his counsel are aware of their fiduciary responsibilities to the Class to represent fairly and adequately the Class and are determined to discharge those duties by seeking the maximum possible recovery for the Class based on the merits of these claims and the available resources.

E. Superiority of a Class Action

14. A class action is a superior method for resolving the claim herein alleged as compared to other available group-wide methods for adjudicating this issue. The remedy to resolve the common class-wide issue regarding the issue detailed herein would be to replace existing iPhone 4s with versions that work properly; to refund the cost of the Apple iPhone 4, or to advance funds to iPhone 4 users for the provision of Apple's "Bumper" case or other iPhone 4 cases if those cases can remedy the manufacturing defects of the phone as described herein. Because of

the nearly-certain low individual damage amount, which is less than \$1,000 per Class member in almost every conceivable circumstance, individual members would have little incentive to prosecute such a claim on an individual basis. Such individual actions are not cost-effective or practical, as the costs associated with proving a prima facie case would exceed the obtainable recovery.

- 15. Important interests are served by addressing the issue raised in the Complaint in a class action. Adjudication of individual claims would result in a great expenditure of court and public resources. Resolving the claims on a class-wide basis results in significant cost savings. Class action treatment allows similarly situated persons to litigate their claims in the manner that is most efficient and economical for the parties and the judicial system.
- 16. There is a substantial likelihood of inconsistent verdicts, which would frustrate the resolution of this legal issue for Defendants and force them to comply with inconsistent legal standards.
- 17. Failure to certify a class would make it impossible for a great many of the Class members to seek relief. For those who seek judicial relief, there is a strong likelihood that separate court rulings would lead to inconsistent verdicts, working a substantial prejudice on Defendants, especially, as in this case, where equitable relief is being sought. A class action presents fewer management difficulties and provides the benefits of single adjudication, economy of scale and comprehensive supervision by a single court.
- 18. Plaintiff is unaware of any insurmountable difficulties in the management of this action to preclude its maintenance as a class action and believes his claim can be established at trial on a class-wide basis.

JURISDICTION AND VENUE

- 19. This Court has jurisdiction over the subject of this Complaint under the Class Action Fairness Act, 18 U.S.C. § 1332(d). In the aggregate, the damages suffered and sought to be recovered by Plaintiff and the Class exceed the Court's jurisdictional minimum for a class action. The exact amount of damages caused to Class members cannot be precisely determined without access to Defendants' records.
- 20. Claims arising under the Federal Communications Act create a question that this Court must determine under 18 U.S.C. § 1331.
- 21. This Court has jurisdiction over Defendants because Defendants are either a corporation or an association organized under the laws of California, a foreign corporation or association authorized to do business in California and registered with the California Secretary of State, or does sufficient business or minimum contacts with California, or otherwise intentionally avails itself of the California markets through the promotion, marketing, advertising and/or sales of their products and services in California to render the exercise of jurisdiction by California courts permissible under traditional notions of fair play and substantial justice.
- 22. Venue is proper in the United States District Court for the Central District of California since a substantial portion of the acts and practices underlying this Complaint occurred here.
- 23. Because Defendant Apple sold the Product through its web site, essential acts consummating the sale of each and every Product occurred in this District.

STATEMENT OF FACTS

24. Defendant Apple is a consumer electronics and computing company that entered the retail business for cell phones in 2007 when it announced the production of its first "smartphone:' the first generation iPhone. Smartphones are multi-functional mobile devices with advanced capabilities. Smartphones have become a lucrative market for companies, who are scrambling for market share in this highly

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- In June 2010, Apple released the iPhone 4, its fourth-generation smartphone. 25. touting a new design for its iPhone smartphone that features a metal band that wraps around the edge of the phone on four sides. The band serves as the iPhone 4's antenna.
- 26. An estimated 1.7 million iPhone 4s were sold or delivered in the first week of its release, June 21 through June 25, 2010.
- 27. The iPhone 4 has been widely marketed and distributed. First officially announced by Apple on June 7, 2010 by Steve Jobs, CEO of Apple, the phone was advertised by Apple and AT&T as having a redesigned wireless antenna placement, with its antenna now integrated into the metal side plates encasing the outer edges of the phone.
- 28. Defendants and Steve Jobs in particular claimed this new antenna design improved call quality and reception, and made no reference to the necessity of holding the phone in an awkward position or to spend more money on a case that may correct the problem.
- 29. Users of the iPhone 4 across the United States and the world have found that this design "upgrade" to the iPhone causes a serious problem with connectivity. Because the antenna for the phone surrounds the entire phone, it is nearly impossible to hold the phone without touching the antenna. Touching an antenna on a cell phone invariably results in decreased functionality of the phone.
- 30. These design and manufacturing defects have been well-established by users, who have documented the problem – when the phone is touched on its metal edge, particularly in the lower corners of the phone, its connection is severely decreased or disappears altogether. This problem was apparent immediately after the phone began shipping to customers the week of June 21, 2010.
- 31. For the first time since the first generation iPhone was introduced on June 27.

- 2009, Apple is now marketing and selling a first-party case for the iPhone, a rubber band-like strip that surrounds the metal edge of the phone that serves as its antenna, called a "Bumper". The "Bumper" retails on Apple's website and brick and mortar stores for \$29.95 each.
- 32. In sum, Apple's response to the problem inherent to the iPhone 4's design has been two fold: hold it differently, or purchase from Apple a \$29 "Bumper" case that surrounds the entire metal band encircling the phone.
- 33. Plaintiff is informed and believes and thereon alleges that this is a known defect in the iPhone 4 which was never disclosed to its purchasers, and which Apple now is using as a means to further enrich itself at the expense of its users.
- Plaintiff and other members of the Class were injured in fact and lost money or 34. property as a result of Defendants' material misstatements and omissions material fact, paying more to receive inferior service and an inferior product in relation to what they believed they had purchased.
- 35. As a result of Defendants' material misrepresentations and omissions of material facts, Plaintiff and other members of the Class are locked into a two-year service plan with a device provides inferior network connectivity.
- 36. A substantial factor in entering into those agreements was the representation that the iPhone 4 would operate fully functional and as an actual improvement, rather than a retrogression, from earlier versions of the phone.
- 37. Plaintiff and other Class members were injured, either directly or indirectly, in response to the representations, advertising and/or other promotional materials that were prepared and approved by Defendants and disseminated on the face of the product and/or through assertions that contained the representations regarding the iPhone 4. Had the true facts been disclosed, Plaintiff and other Class members would not have purchased the iPhone 4 at the prices and under the terms and conditions to which they were and are subjected, or put in a position where they

- must pay additional funds to Apple or other parties in order to make the iPhone 4 a fully-functional device.
- 38. Defendants failed to disclose at the time of making their false and misleading statements to Plaintiff and the Class that the iPhone 4 itself was defective and inadequate to provide the represented performance and speed, resulting in injury to the Plaintiffs and the Class.
- 39. Prior to the release of the iPhone 4, Defendants widely distributed promotional literature showing the phone being held in a manner that causes the voice and data connectivity to drop. Defendants represented to the public, to plaintiff, and to class members, that the iPhone 4 could be held in a manner in which people typically hold cell phones. If the iPhone 4 is held in a manner consistent with Defendant's advertisements and marketing materials, it will not function as intended.
- 40. Plaintiff is informed and believe, and on that basis, herein allege that Defendants did not act with due care when designing, manufacturing, marketing, and selling the defective iPhone 4. Defendants also failed to use due care by failing to issue a voluntary recall or at by to iPhone 4s.
- 41. At all relevant times, Defendants had actual or constructive knowledge of the foregoing problems with the iPhone 4 antenna design and placement and, therefore, is directly liable for the injuries to Plaintiff and class members.
- 42. Plaintiff, individually and on behalf of all class members, alleges that he had no knowledge of the defects inherent in the iPhone 4. Plaintiff and class members could not have known or reasonably discovered, or had reason to know of the defect inherent in the iPhone until after they purchased and began using the product. Plaintiff and class members were informed and believed, and allege thereon, that they could not have known or reasonably discovered that Apple's defective design of the iPhone 4 would cause the harm suffered by Plaintiff and class members.

43. Defendants knowingly concealed the defect in the iPhone 4 until it became clear by overwhelming proof presented in the media that the iPhone 4 was defective.

By engaging in the conduct described thus far, Defendants are guilty of fraud, and Plaintiff and class members are, therefore, entitled to recover exemplary and punitive damages.

FIRST CAUSE OF ACTION

Against All Defendants

(Products Liability - Negligence)

- 44. Plaintiff incorporates by reference each and every paragraph of this Complaint as though fully set forth herein.
- 45. Defendants, in designing, manufacturing, marketing, and distributing the iPhone 4 had a duty to Plaintiff and class members to do so in a reasonable manner and to ensure that the product was without defect.
- 46. Defendants breached this duty when it placed the defective product into the stream of commerce either with knowledge or negligently unaware of its defective nature.
- 47. As a direct and proximate result of Defendants' negligence, the defective iPhone 4 has caused economic injury to Plaintiffs and all class members.

SECOND CAUSE OF ACTION

Against all Defendants

(Products Liability - Defect in Design, Manufacture, and Assembly)

- 48. Plaintiff incorporates by reference each and every paragraph of this Complaint as though fully set forth herein.
- 49. The iPhone 4 units that are subject of the instant action were not reasonably fit, suitable, or safe for their intended use by reason of a defect in their design, manufacture, or assembly, which caused them to not function properly as a cellular communication device.

- 50. The defect in design, manufacture, or assembly existed at the time Defendants placed the iphone4 units into the stream of commerce.
- 51. The iphone 4 units were used in their intended and reasonably foreseeable way when they failed to function properly and caused economic damage and harm to Plaintiff and all class members.
- 52. As a direct and proximate result thereof, Plaintiff and class members have been injured and damaged.

THIRD CAUSE OF ACTION

Against All Defendants

(Products Liability - Breach of Express and Implied Warranty)

- 53. Plaintiff incorporates by reference each and every paragraph of this Complaint as though fully set forth herein.
- 54. Plaintiff and Class members purchased their Apple iPhone 4s and used them for their ordinary and intended purpose of providing consistent, reliable and sustained connectivity, and entered into agreements with Defendants or their agents and received uniform warranties in connection with the purchase of such phones.
- 55. Apple iPhone 4 cannot perform its ordinary and represented purpose because the Apple iPhone 4 does not provide consistent connectivity.
- 56. When Defendants placed the Apple iPhone 4 into the stream of commerce, they knew, reasonably should have known, or were obligated to understand that the intended and ordinary purpose of their phone was to provide consistent connectivity and that users would expect regular connectivity and materially faster data transfer rates than other devices and previous iPhone through ordinary use of the Apple iPhone 4.
- 57. Plaintiffs and the Class purchased their Apple iPhone 4s with the reasonable expectation that they would receive reliable and sustained connectivity. The advertisements Defendants disseminated that stressed the excellence and

reliability of the Apple iPhone 4, and its new antenna design constitute a warranty that the products would operate as advertised during their useful life, upon which Plaintiffs and the Class reasonably acted. The Apple iPhone 4 is not fit for its warranted, advertised, ordinary and intended purpose of providing reliable network connectivity and is in fact defective, or would not pass without objection in the trade or industry in terms of being unable to provide consistent and reliable network connectivity through ordinary use. This defect has manifested for all Plaintiffs and Class members as they do not consistently receive network connectivity using their Apple iPhone 4.

- 58. Defendants' breach of the warranty described above also constitutes a violation of Cal. Civ. Code § 1792, et seq.
- 59. Plaintiff and Class members were injured and are entitled to damages as a result of such breaches. Plaintiff and the Class request relief as described below as appropriate for this Cause of Action.

FOURTH CAUSE OF ACTION

Against All Defendants

(Intentional Misrepresentation)

- 60. Plaintiff incorporates by reference each and every paragraph of this Complaint as though fully set forth herein.
- 61. At all times herein referred to, Defendants were engaged in the business of designing, manufacturing, marketing, distributing, or selling the iPhone 4 units which are the subject of the instant litigation.
- 62. Defendants, acting through its officers, agents, servants, representatives, or employees, delivered the iPhone 4 units to their own retail stores, distributors, and various other distribution channels.
- 63. Defendants willfully, falsely, and knowingly misrepresented material facts relating to the character and quality of the iPhone 4 units. These misrepresentations are contained in various media advertising and packaging

disseminated or caused to be disseminated by Defendants, and such misrepresentations were reiterated and disseminated by officers, agents, representatives, servants, or employees of Defendants, acting within the line and scope of their authority, so employed by Defendants to merchandise and market the product. Specifically, the promotional literature showed the iPhone 4 units being used and held in a manner which causes the units to lose data and voice connectivity, and promoted the new antenna design of the iPhone as improving reception performance.

- 64. Defendants' representations were made with the intent that the general public, including Plaintiff and class members, rely upon them. Defendants' representations were made with knowledge of the falsity of such statements, or in reckless disregard of the truth thereof.
- In actual reasonable reliance upon Defendant's misrepresentations, Plaintiff and class members purchased and used the iPhone 4 units for their intended and reasonably foreseeable purposes: i.e., as smartphones. Plaintiff and class members were unaware of the existence of facts that Defendants suppressed and failed to disclose. If they had been aware of the suppressed facts, Plaintiff and class members would not have purchased the defective iPhone 4 units at pricing and contractual terms at which they were sold by Defendants.
- Plaintiff and class members are informed and believe, and thereon allege, that Defendants misrepresented material facts with the intent to defraud Plaintiffs and class members. Plaintiffs and class members were unaware of the intent of Defendant and relied upon the representations of Defendant in agreeing to purchase the iPhone 4 units.
- 67. Plaintiff and class members' reliance on the representations of Defendant was reasonable.
- 68. In actual and reasonable reliance upon Defendant's misrepresentations, Plaintiff and class members purchased the defective iPhone 4 units and used them in the

way in which they were intended, the direct and proximate result of which was injury and harm to the Plaintiffs and class members.

FIFTH CAUSE OF ACTION

Against all Defendants

(Negligent Misrepresentation)

- 69. Plaintiff incorporates by reference each and every paragraph of this Complaint as though fully set forth herein.
- 70. Defendants negligently and recklessly misrepresented various material facts regarding the quality and character of the iphone 4 and its service, under circumstances where Defendant either knew, or, in the exercise of reasonable care, should have known that the representations were not true or were not known to be true. These misrepresentations were contained in various advertising, packaging, and correspondence from Defendants, and such misrepresentations were further reiterated and disseminated by the officers, agents, representatives, servants, or employees of Defendants acting within the scope of their authority.
- 71. In reliance upon the misrepresentations, Plaintiffs and class members purchased the iphone 4 for use as a cellular communication device. Had Plaintiffs or class members known the true facts, including, but not limited to, the fact that the iphone 4 units were defectively designed, they would not have purchased the units from Defendants.
- 72. As a direct result and proximate consequence of Defendants' negligent misrepresentations, Plaintiffs and class members have been injured.

SIXTH CAUSE OF ACTION

Against all Defendants

(Fraud by Concealment)

73. Plaintiff incorporates by reference each and every paragraph of this Complaint as though fully set forth herein.

- 74. Plaintiff is informed and believes, and thereon alleges, that Defendant knew that the iPhone 4 units would lose connectivity when used in their normal intended manner, and that Defendants concealed this fact.
- 75. Defendants had a duty to disclose the information to Plaintiffs and class members. Defendants failed to timely disclose this information to Plaintiff and class members. Further, Defendants actively suppressed and concealed the fact that the iPhone 4 could not be held in a manner consistent with the normal usage of cellular communications devices.
- 76. Defendant concealed such information for the purpose of inducing the purchase and use of iphone 4 units designed, manufactured, distributed, and sold by Defendants.
- 77. Plaintiff and class members were unaware of the existence of facts, which Defendants failed to disclose and actively suppressed and concealed. If Plaintiff had been aware of the facts not disclosed by Defendant, they would not have agreed to the purchase or use of the defective iPhone 4 units and the pricing and contractual terms at which they were sold. Plaintiffs and class members are informed and believe and thereon allege that Defendants concealed such material facts with the intent to defraud Plaintiffs and class members. Under the circumstances, especially Defendants omitted and material facts, Plaintiff and class members' reliance on the representations of Defendant was reasonable.
- 78. As a result of Defendants' material omissions, failure to disclose, and active concealment, Plaintiff and class members purchased and used Defendants' defective iPhone 4 units in the way in which they were intended, the direct and proximate result of which was injury and harm to the Plaintiff and class members.

SEVENTH CAUSE OF ACTION

Against all Defendants

(Violation of the Unfair Competition Law)

- 79. Plaintiff incorporates by reference each and every paragraph of this Complaint as though fully set forth herein.
- 80. Defendants' acts and practices, described herein, constitute unlawful, unfair or fraudulent business practices in violation of the Unfair Competition Law, Business & Professional Code sections 17200 et seq.
- 81. Defendants' acts and practices, described herein, violate the CLRA, Civil Code 2 section 1770, et seq., and constitute unlawful, unfair or fraudulent business practices in violation of the Unfair Competition Law, Business & Professions Code sections 17200 et seq.
- 82. Defendants have engaged in unfair business practices in connection with their failure to disclose a manufacturing and design defect in the Product that was known to defendants which renders the Product unmerchantable and to fail at its essential purpose, which acts and omissions violate the CLRA, which seeks to protect consumers against unfair and shall) business practices and to promote a basic level of honesty and reliability in the marketplace. Moreover, the utility of Defendants' conduct, if any, is outweighed by the harm it causes to Plaintiff and the Class. Defendants' acts and practices are immoral, unethical, oppressive, unscrupulous, or substantially injurious to Plaintiff and the Class.
- 83. Plaintiff and the Class have been lost money and were injured in fact by and as a result of Defendants' unfair and unlawful practices.
- Pursuant to Business and Professions Code sections 17200, 17203 and 17204,
 Plaintiff, on behalf of himself, the Class and the general public, seeks an order of
 this Court: enjoining Defendants from continuing the unfair business practices
 described herein. Plaintiff additionally requests an order awarding Plaintiff and
 the Class restitution of all monies wrongfully acquired from the class by means of
 such unlawful acts and practices, so as to deter Defendants and to rectify
 Defendant's unfair and unlawful practices and to restore any and all monies to
 Plaintiff and the Class and to the general public, which are still retained by

Defendants, plus interest, attorneys' fees and costs pursuant to, inter alia, Code of Civil Procedure section 1021.5.

EIGHTH CAUSE OF ACTION

Against All Defendants

(Unjust Enrichment)

- 85. Plaintiff incorporates by reference each and every paragraph of this Complaint as though fully set forth herein.
- 86. Defendants have benefitted and been enriched by the above-alleged conduct.

 Defendants have generated revenue from the unlawful conduct described above.
- 87. Defendants have knowledge of this benefit.
- 88. Defendants have voluntarily accepted and retain this benefit.
- 89. The circumstances, as described herein are that it would inequitable

 Defendants to retain the ill-gotten benefit without paying the value thereof to

 Plaintiff and the Class.
- 90. Plaintiff and the Class are entitled to the amount of Defendants' ill-gotten gains. including interest, resulting from its unlawful, unjust, unfair and inequitable conduct as alleged herein. may make claims on a pro rata restitution.
- 91. Accordingly, and in addition, Plaintiff seeks the imposition of a constructive trust on those monies by which the Defendants have been unjustly enriched as a result of the unlawful practices described herein.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for judgment and relief as follows as appropriate for the above cause of action:

- 1. An award of actual, statutory, and/or exemplary damages, as appropriate for the particular Case of Action;
- 2. A temporary, preliminary and/or permanent order for injunctive relief enjoining Defendants form pursuing the policies, acts and practices complained of herein;

1	3. A declaratory judgment stating that Defendants may not pursue the policies, acts
2	and practices complained of herein;4. A temporary, preliminary and/or permanent order for injunctive relief requiring
3	Defendants to undertake an informational campaign to inform members of the
4	general public as to the wrongfulness of Defendants' practices;
5	5. An order requiring disgorgement of Defendants' ill-gotten gains by requiring the
6	payment of restitution to Plaintiff; as appropriate; 6. For compensatory, general, special, consequential, and incidental damages in
7	amount to be proven at trial;
8	7. Reasonable attorneys' fees;
9	8. All related costs of this suit;9. Pre and post-judgment interest; and
10	10. Such other and further relief as the Court may deem necessary or appropriate.
11	
12	JURY DEMAND
13	Plaintiff and the Class demand a trial by jury on all claims so triable.
14	
15	Respectfully Submitted,
16	Dated: June 22, 2011 FELAHY LAW GROUP
17	10.00
18	By:
19	ALLEN FELAHY, ESQ,
20	OSCAR RAMIREZ, ESO.,) Attorney for Plaintiff Jethro-Magat
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UNITED STATES DISTRICT COURT CENTRAL DISTRICT OF CALIFORNIA

NOTICE OF ASSIGNMENT TO UNITED STATES MAGISTRATE JUDGE FOR DISCOVERY

This case has been assigned to District Judge David O. Carter and the assigned discovery Magistrate Judge is Robert N. Block.

The case number on all documents filed with the Court should read as follows:

SACV11- 938 DOC (RNBx)

Pursuant to General Order 05-07 of the United States District Court for the Central District of California, the Magistrate Judge has been designated to hear discovery related motions.

All discovery related motions should be noticed on the calendar of the Magistrate Judge
NOTICE TO COUNSEL
A copy of this notice must be served with the summons and complaint on all defendants (if a removal action is filed, a copy of this notice must be served on all plaintiffs).
Subsequent documents must be filed at the following location:

[X] Southern Division

Failure to file at the proper location will result in your documents being returned to you.

Western Division

312 N. Spring St., Rm. G-8

Los Angeles, CA 90012

411 West Fourth St., Rm. 1-053

Santa Ana, CA 92701-4516

[] Eastern Division

3470 Twelfth St., Rm. 134

Riverside, CA 92501