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10 UNITED STATES DISTRICT COURT  
11 FOR THE DISTRICT OF ARIZONA

12 Vanessa C. Spencer, on behalf of herself  
13 and others similarly situated,

14 Plaintiff,

15 vs.

16 #1 A LifeSafer of Arizona, LLC, and #1 A  
17 LifeSafer, Inc.,

18 Defendants.

) Case No. 2:18-cv-02225-BSB  
)  
)  
)  
) **AMENDED CLASS ACTION**  
) **COMPLAINT AND TRIAL BY JURY**  
) **DEMAND**

## Nature of Action

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1. Vanessa C. Spencer (“Plaintiff”) brings this class action against #1 A LifeSafer of Arizona, LLC and #1 A LifeSafer, Inc. (together, “LifeSafer” or “Defendants”) under the Consumer Leasing Act (“CLA”), 15 U.S.C. § 1667, and its implementing regulations, 12 C.F.R. § 1013 *et seq.* (“Regulation M”), on behalf of herself and other similarly situated lessees of LifeSafer’s ignition interlock devices.

2. As one district court recognized, “Congress enacted the CLA as an amendment to the [Truth in Lending Act (“TILA”)] and [thereby] extended the TILA’s ‘credit disclosure requirements to consumer leases.’” *Clement v. Am. Honda Fin. Corp.*, 145 F. Supp. 2d 206, 209 (D. Conn. 2001) (quoting *Turner v. Gen. Motors Acceptance Corp.*, 180 F.3d 451, 454 (2d Cir. 1999)).

3. The TILA—and, by extension, the CLA—was put in place to protect consumers from obfuscation or misinformation in credit and lease transactions.

4. Congress recognized and sought to remedy the information imbalance in such transactions, particularly for inexperienced or uninformed consumers lacking the financial shrewdness of those companies responsible for extending credit.

5. LifeSafer’s lease agreements with Plaintiff and all putative class members are defective, for the same reasons: they do not provide the segregated disclosures required by the CLA and Regulation M in a manner substantially similar to that prescribed by the Board of Governors of the Federal Reserve System (“Board”), which is the government agency charged with oversight of the CLA until the creation of the Consumer Financial Protection Bureau in 2011.

**Jurisdiction and Venue**

6. This Court has subject matter jurisdiction under 15 U.S.C. § 1667d(c) and 28 U.S.C. § 1331.

7. Venue is proper before this Court pursuant to 28 U.S.C. § 1391(b), as the events giving rise to Plaintiff’s action occurred in this district, and as Defendants transact business in this district.

**Parties**

8. Plaintiff is a natural person who, at all relevant times, resided in Maricopa County, Arizona.

9. Plaintiff is a “lessee” as defined under the CLA, 15 U.S.C. § 1667(2).

10. #1 A LifeSafer of Arizona, LLC is a limited liability company registered in Maricopa County, Arizona with principal offices in Carson City, Nevada.

11. #1 A LifeSafer, Inc. is a corporation registered in Maricopa County, Arizona with principal offices in Frankfort, Kentucky.

12. Upon information and belief, #1 A LifeSafer, Inc. exercises control over #1 A LifeSafer of Arizona, LLC, along with other state-specific subsidiaries such as #1 A LifeSafer of Washington, Inc.

13. In fact, upon information and belief, #1 A LifeSafer, Inc. promulgates standardized financing contracts among its various regional subsidiaries, with materially identical terms and conditions, including identical version codes—in this case, TC201411. *Compare* Exhibit A (Plaintiff’s lease with LifeSafer in Arizona) *with* Exhibit B (a materially identical lease with #1 A LifeSafer, Inc. and #1 A LifeSafer of

1 Washington, Inc. in Washington, obtained at  
2 [https://ecourts.kitsapgov.com/docs/19901303/IGNITION%20INTERLOCK%20INSTAL](https://ecourts.kitsapgov.com/docs/19901303/IGNITION%20INTERLOCK%20INSTALLATION%20REPORT%2005-19-17.pdf)  
3 [LATION%20REPORT%2005-19-17.pdf](https://ecourts.kitsapgov.com/docs/19901303/IGNITION%20INTERLOCK%20INSTALLATION%20REPORT%2005-19-17.pdf).  
4

5 14. Further, if a consumer attempts to access the Arizona-specific website of  
6 LifeSafer, they are directed to the website operated by #1 A LifeSafer, Inc. See  
7 <https://www.lifesafers.com/arizona/> (last visited Oct. 5, 2018).  
8

9 15. As both #1 A LifeSafer of Arizona, LLC and #1 A LifeSafer, Inc. are  
10 parties to the lease agreement here in dispute, they are referred to simply as “LifeSafer”  
11 for purposes of this complaint.  
12

13 16. LifeSafer considers itself “[a] National Leader in Ignition Interlock  
14 Technology,” boasting that its “Ignition interlocks are one of the most widely used  
15 devices in the US.”<sup>1</sup>  
16

17 17. LifeSafer’s “ignition interlock is a device which prevents a vehicle from  
18 starting if the driver has been drinking alcohol. Like a breathalyzer, an ignition interlock  
19 measures the alcohol in a person’s system. If that amount exceeds a pre-programmed  
20 level, then the interlock temporarily locks the vehicle’s ignition.”<sup>2</sup>  
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26 <sup>1</sup> <https://www.lifesafers.com/interlock-devices/> (last visited July 16, 2018).  
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28 <sup>2</sup> <https://www.lifesafers.com/devices/what-is-an-interlock/> (last visited July 16, 2018).

1 18. LifeSafer offers its ignition interlock devices at over 900 locations  
2 nationwide.<sup>3</sup>

3  
4 19. LifeSafer leases its ignition interlock devices to drivers throughout the  
5 country through use of “consumer leases” as defined under the CLA, 15 U.S.C. §  
6 1667(1).

7  
8 20. Thus, #1 A LifeSafer of Arizona, LLC is a “lessor” as defined by 15 U.S.C.  
9 § 1667(3).

10 21. And #1 A LifeSafer, Inc. also is a “lessor” as defined by 15 U.S.C. §  
11 1667(3).

### 12 **The CLA**

13  
14 22. “Passed by Congress as an amendment to the Truth In Lending Act [], the  
15 CLA purports ‘to assure a meaningful disclosure’ of personal property lease terms to  
16 ‘enable the lessee to compare more readily the various lease terms available to him [and]  
17 limit balloon payments in consumer leasing.’” *Gaydos v. Huntington Nat. Bank*, 941 F.  
18 Supp. 669, 672 (N.D. Ohio 1996) (quoting 15 U.S.C. § 1601(b)).

19  
20  
21 23. The CLA’s primary purpose is to

22 “assure a meaningful disclosure of the terms of leases . . . so as to enable  
23 the lessee to compare more readily the various lease terms available to  
24 him.” 15 U.S.C. § 1601(b). Because lease financing had become recognized  
25 as an alternative to credit financing and installment sales contracts,  
26 Congress also intended CLA disclosure requirements to “enable  
27 comparison of lease terms with credit terms where appropriate.” *Id.* The  
28 CLA thus requires lessors of personal property subject to its provisions to

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<sup>3</sup> <https://www.lifesafer.com/> (last visited July 16, 2018).

1 make specified disclosures when a lease is entered into. *See* 15 U.S.C. §  
2 1667a (consumer lease disclosures).

3 *Turner*, 180 F.3d at 454.

4 24. Accordingly, the TILA’s “strict liability standard attaches to violations of  
5 CLA disclosure requirements as well.” *Gaydos*, 941 F. Supp. at 672.

6  
7 25. Also important, “[t]he TILA reflects a transition in congressional policy  
8 from a philosophy of ‘Let the buyer beware’ to one of ‘Let the seller disclose.’” *Layell v.*  
9 *Home Loan & Inv. Bank, F.S.B.*, 244 B.R. 345, 350 (E.D. Va. 1999) (quoting *Mourning*  
10 *v. Family Publications Serv., Inc.*, 411 U.S. 356, 377 (1973)).

11  
12 26. And given the CLA’s enactment within the same statutory structure, this  
13 philosophy applies with equal force to the CLA and Regulation M.

14  
15 27. To that end, the CLA and Regulation M require that disclosures in a  
16 consumer lease be made in a clear and conspicuous manner.

17  
18 28. Significantly, certain of the disclosures described in Regulation M also  
19 must be made in a “segregated” manner:

20 The following disclosures shall be segregated from other information and  
21 shall contain only directly related information: §§ 1013.4(b) through (f),  
22 (g)(2), (h)(3), (i)(1), (j), and (m)(1). The headings, content, and format for  
23 the disclosures referred to in this paragraph (a)(2) shall be provided in a  
24 manner substantially similar to the applicable model form in appendix A of  
25 this part.

26 12 C.F.R. § 1013.3(a)(2).

27 29. Those disclosures that must be “segregated from other information” include  
28 the following:

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**(b) Amount due at lease signing or delivery.** The total amount to be paid prior to or at consummation or by delivery, if delivery occurs after consummation, using the term “amount due at lease signing or delivery.” The lessor shall itemize each component by type and amount, including any refundable security deposit, advance monthly or other periodic payment, and capitalized cost reduction; and in motor vehicle leases, shall itemize how the amount due will be paid, by type and amount, including any net trade-in allowance, rebates, noncash credits, and cash payments in a format substantially similar to the model forms in appendix A of this part.

**(c) Payment schedule and total amount of periodic payments.** The number, amount, and due dates or periods of payments scheduled under the lease, and the total amount of the periodic payments.

**(d) Other charges.** The total amount of other charges payable to the lessor, itemized by type and amount, that are not included in the periodic payments. Such charges include the amount of any liability the lease imposes upon the lessee at the end of the lease term; the potential difference between the residual and realized values referred to in paragraph (k) of this section is excluded.

**(e) Total of payments.** The total of payments, with a description such as “the amount you will have paid by the end of the lease.” This amount is the sum of the amount due at lease signing (less any refundable amounts), the total amount of periodic payments (less any portion of the periodic payment paid at lease signing), and other charges under paragraphs (b), (c), and (d) of this section. In an open-end lease, a description such as “you will owe an additional amount if the actual value of the vehicle is less than the residual value” shall accompany the disclosure.

\* \* \*

**(i) Purchase option.** A statement of whether or not the lessee has the option to purchase the leased property, and:

**(1) End of lease term.** If at the end of the lease term, the purchase price; and

\* \* \*

**(j) Statement referencing nonsegregated disclosures.** A statement that the lessee should refer to the lease documents for additional information on early termination, purchase options and maintenance responsibilities,

1 warranties, late and default charges, insurance, and any security interests, if  
2 applicable.

3 \* \* \*

4 12 C.F.R. § 1013.4.

5 30. And per 12 C.F.R. §§ 1013.3 and 1013.4, these segregated disclosures must  
6 “be provided in a manner substantially similar to the applicable model form in appendix  
7 A” of Regulation M.  
8

9 31. That is, the requisite “segregated” disclosures are required to be given in a  
10 manner at least “substantially similar to” the model form attached to the implementing  
11 regulations, and attached here as Exhibit C.  
12

13 32. These requirements for “segregated” disclosures are rooted in the Board’s  
14 oversight of Regulation M and, in particular, the Board’s review of the implementing  
15 regulations in 1996 to ensure continued and adequate protection of consumers like  
16 Plaintiff.  
17

18 33. Among the Board’s observations in 1996: “The major revision to this  
19 section [of Regulation M] . . . is the requirement to segregate certain disclosures from  
20 other information. Clear and conspicuous lease disclosures must be given prior to  
21 consummation of a lease on a dated written statement that identifies the lessor and  
22 lessee.” 61 FR 52246-01, 52249 (Oct. 7, 1996).  
23  
24

25 34. The Board amended paragraph 3(a)(1) of Regulation M [12 C.F.R. §  
26 1013.3(a)(1)] as follows:  
27

28 Former §§ 213.4(a)(1) and 4(a)(2) required that all disclosures be made  
together on a separate statement or in the lease contract “above the place for

1 the lessee's signature." The Board has deleted this requirement along with  
2 the meaningful sequence, same-page, and type-size disclosure  
3 requirements, replacing them with the requirement that disclosures be  
4 segregated. Most commenters generally supported the proposed segregation  
5 requirement, although some commenters opposed the deletion of the other  
6 requirements. They believed that the signature requirement ensured that  
7 lessors would give disclosures before the consumer becomes obligated on  
8 the lease and discouraged lessors from putting important information on the  
9 back of a lease document. The Board believes that a segregation  
10 requirement and the clear and conspicuous standard provide the same level  
11 of protection as the previous rules.

9 The segregated disclosures and other CLA disclosures must be given to a  
10 consumer at the same time. Lessors must continue to ensure that the  
11 disclosures are given to lessees before the lessee becomes obligated on the  
12 lease transaction. For example, by placing disclosures that are included in  
13 the lease documents above the lessee's signature, or by including  
14 instructions alerting a lessee to read the disclosures prior to signing the  
15 lease.

14 Nonsegregated disclosures need not all be on the same page, but should be  
15 presented in a way that does not obscure the relationship of the terms to  
16 each other.

16 *Id.*

17  
18 35. To that end, the Board also amended paragraph 3(a)(2) [12 C.F.R. §  
19 1013.3(a)(2)] as follows:

20 Most commenters—representing both the industry and consumer groups—  
21 generally supported some form of segregation of leasing disclosures. **Many**  
22 **commenters believed that consumers would be more likely to read and**  
23 **understand the disclosures if key items were segregated from other**  
24 **disclosures and contract terms.** Pursuant to its authority under section  
25 105(a) of the TILA, **the Board has adopted the requirement that certain**  
26 **consumer leasing disclosures be segregated from other required**  
27 **disclosures and from general contract terms to assure clear,**  
28 **conspicuous, and meaningful disclosure of lease terms.**

27 Some commenters, including trade groups that represent a large portion of  
28 the motor vehicle leasing industry, suggested that the more important  
disclosures be further highlighted in a manner similar to the Board's  
Regulation Z. **The Board believes that the segregation requirement and**



1           41. Here, with respect to their November 2017 lease agreement with Plaintiff,  
2 Defendants made virtually no effort to follow the mandates of the CLA and Regulation  
3 M.  
4

5           42. The lease agreement bundle consists of five interconnected parts: the  
6 Ignition Interlock Installation Verification; the Service Invoice; the Program Service  
7 Agreement; the accompanying Terms and Conditions; and the Fee Schedule.  
8

9           43. In the Program Service Agreement, #1 A LifeSafer of Arizona, LLC is  
10 identified as Plaintiff’s “Service Provider.” *Id.* at 3.  
11

12           44. Meanwhile, #1 A LifeSafer, Inc. also appears in the footer of all three pages  
13 of the accompanying Terms and Conditions. *Id.* at 4-6.  
14

15           45. None of these documents, however, provides Plaintiff the mandatory  
16 segregated disclosures required by 12 C.F.R. § 1013.3(a)(2).  
17

18           46. Nor are the necessary disclosures segregated *anywhere* within the lease  
19 agreement bundle, let alone in a manner “substantially similar to” the applicable model  
20 form, *see* Ex. C, to ensure that such disclosures are as clear and conspicuous as the Board  
21 intended.  
22

23           47. Upon information and belief, because standardized Terms and Conditions  
24 are used by LifeSafer entities in Arizona and Washington—and likely numerous other  
25 locations—the violative language and lack of disclosures appears to be promulgated by  
26 #1 A LifeSafer, Inc., and is merely conveyed to consumers by each of its regional  
27 subsidiaries without materially changing the language of the contract. *Compare* Ex. A  
28 *with* Ex. B.

1           48. Upon information and belief, #1 A LifeSafer of Arizona, LLC thus acts as  
2 an agent of #1 A LifeSafer, Inc. in its transactions with Arizona consumers.

3  
4           49. Defendants' closest attempt to meet their statutory burdens may be found in  
5 the Service Invoice, which identifies Plaintiff, her vehicle, and #1 A LifeSafer of  
6 Arizona, LLC. *See* Ex. A at 2.

7  
8           50. The Service Invoice also reflects Plaintiff's initial payment of \$79.49 for  
9 the ignition interlock device, which is comprised of 31 days of (i) daily monitoring at  
10 \$2.3014 per day, and (ii) daily loss protection at \$0.2630 per day. *Id.*

11  
12           51. And while the Service Invoice may *visually* resemble Regulation M's  
13 model form in its use of partitioned boxes to separate and organize disparate pieces of  
14 information, the resemblance ends there, as this portion of the lease agreement contains  
15 virtually none of the *substantive* disclosures required by the statute and regulations.  
16  
17 *Compare* Ex. C at 2 with Ex. A at 1.

18           52. To be sure, wholly missing from the Service Invoice are necessary  
19 disclosures regarding:

- 20
- 21           • The number, amount, and due dates or periods of payments scheduled  
22 under the lease, and the total amount of the periodic payments;
  - 23           • The total amount of other charges payable to Defendants, itemized by type  
24 and amount, that are not included in the periodic payments;
  - 25           • The total of payments, with a description such as “the amount you will have  
26 paid by the end of the lease”;
  - 27           • A statement of whether or not Plaintiff has the option to purchase the leased  
28 property, and if at the end of the lease term, the purchase price for doing so;  
and

- 1           • A statement that Plaintiff should refer to the lease documents for additional  
2 information on early termination, purchase options and maintenance  
3 responsibilities, warranties, late and default charges, insurance, and any  
4 security interests, if applicable.

5           53. What's more, the remainder of the lease agreement bundle is similarly  
6 opaque.

7           54. For example, the Fee Schedule lists a dizzying array of one-time and daily  
8 fees or charges for various classes of services, including "Procedures," "Monitoring,"  
9 "Service Calls," "Violations/Penalties," "Records," and "Unit Damage/Loss." Ex. A at 7.  
10

11           55. Even within this Fee Schedule, Defendants fail to provide a clear  
12 explanation of:

- 13           • The number, amount, and due dates or periods of payments scheduled  
14 under the lease, and the total amount of the periodic payments;  
15           • The total amount of other charges payable to Defendants, itemized by type  
16 and amount, that are not included in the periodic payments; or  
17           • The total of payments, with a description such as "the amount you will have  
18 paid by the end of the lease."

19 *See id.*

20           56. There is no disclosure anywhere to be found of precisely *which amount of*  
21 *money*, and for *what time period(s)*, Plaintiff must pay Defendants for use of the ignition  
22 interlock device she leased from them.

23           57. Similarly lacking is an explanation of exactly how much money, in total,  
24 Plaintiff will have paid Defendants by the end of the lease term.  
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1           63. The proposed class is ascertainable because it is defined by reference to  
2 objective criteria.

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4           64. In addition, the proposed class is identifiable in that, upon information and  
5 belief, the names and addresses of all members of the proposed class can be identified in  
6 business records maintained by Defendants.

7  
8           65. The proposed class satisfies Rules 23(a)(2) and (3) because Plaintiff's  
9 claims are typical of the claims of the members of the class.

10           66. To be sure, Plaintiff's claims and those of the members of the class  
11 originate from the same standardized lease agreement utilized by Defendants, and  
12 Plaintiff possesses the same interests and has suffered the same injuries as each member  
13 of the proposed class.

14  
15           67. Plaintiff satisfies Rule 23(a)(4) because she will fairly and adequately  
16 protect the interests of the members of the class and has retained counsel experienced and  
17 competent in class action litigation.

18  
19           68. Plaintiff has no interests that are contrary to or irrevocably in conflict with  
20 the members of the class that she seeks to represent.

21  
22           69. A class action is superior to all other available methods for the fair and  
23 efficient adjudication of this controversy, since, upon information and belief, joinder of  
24 all members is impracticable.

25  
26           70. Furthermore, as the damages suffered by individual members of the class  
27 may be relatively small, the expense and burden of individual litigation make it  
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1 impracticable for the members of the class to individually redress the wrongs done to  
2 them.

3  
4 71. There will be no extraordinary difficulty in the management of this action  
5 as a class action.

6 72. Issues of law and fact common to the members of the class predominate  
7 over any questions that may affect only individual members, in that Defendants have  
8 acted on grounds generally applicable to the class.

9  
10 73. Among the issues of law and fact common to the class:

- 11 a. Defendants' violations of the CLA as alleged herein;  
12 b. Defendants' use of form Program Service Agreements;  
13 c. Defendants' practice of providing Program Service Agreements without  
14 segregated disclosures as required by the CLA;  
15 d. the availability of statutory penalties; and  
16 e. the availability of attorneys' fees and costs.  
17  
18

19 **Count I: Violations of 15 U.S.C. § 1667a and 12 C.F.R. § 1013.4**

20 74. Plaintiff repeats and re-alleges the factual allegations contained in  
21 paragraphs 1 through 73.  
22

23 75. Regulation M demands that certain disclosures be made in a "segregated"  
24 manner separate and apart from all other information contained in a consumer lease:  
25

26 The following disclosures shall be segregated from other information and  
27 shall contain only directly related information: §§ 1013.4(b) through (f),  
28 (g)(2), (h)(3), (i)(1), (j), and (m)(1). The headings, content, and format for  
the disclosures referred to in this paragraph (a)(2) shall be provided in a

1 manner substantially similar to the applicable model form in appendix A of  
2 this part.

3 12 C.F.R. § 1013.3(a)(2).

4 76. Among those disclosures required to be “segregated” in such a manner:

5 **(b) Amount due at lease signing or delivery.** The total amount to be paid  
6 prior to or at consummation or by delivery, if delivery occurs after  
7 consummation, using the term “amount due at lease signing or delivery.”  
8 The lessor shall itemize each component by type and amount, including any  
9 refundable security deposit, advance monthly or other periodic payment,  
10 and capitalized cost reduction; and in motor vehicle leases, shall itemize  
11 how the amount due will be paid, by type and amount, including any net  
trade-in allowance, rebates, noncash credits, and cash payments in a format  
substantially similar to the model forms in appendix A of this part.

12 **(c) Payment schedule and total amount of periodic payments.** The  
13 number, amount, and due dates or periods of payments scheduled under the  
lease, and the total amount of the periodic payments.

14 **(d) Other charges.** The total amount of other charges payable to the lessor,  
15 itemized by type and amount, that are not included in the periodic  
16 payments. Such charges include the amount of any liability the lease  
17 imposes upon the lessee at the end of the lease term; the potential difference  
between the residual and realized values referred to in paragraph (k) of this  
18 section is excluded.

19 **(e) Total of payments.** The total of payments, with a description such as  
20 “the amount you will have paid by the end of the lease.” This amount is the  
21 sum of the amount due at lease signing (less any refundable amounts), the  
22 total amount of periodic payments (less any portion of the periodic payment  
paid at lease signing), and other charges under paragraphs (b), (c), and (d)  
23 of this section. In an open-end lease, a description such as “you will owe an  
additional amount if the actual value of the vehicle is less than the residual  
24 value” shall accompany the disclosure.

25 \* \* \*

26 **(i) Purchase option.** A statement of whether or not the lessee has the  
27 option to purchase the leased property, and:

28 **(1) End of lease term.** If at the end of the lease term, the purchase  
price; and

1 \* \* \*

2 **(j) Statement referencing nonsegregated disclosures.** A statement that  
3 the lessee should refer to the lease documents for additional information on  
4 early termination, purchase options and maintenance responsibilities,  
5 warranties, late and default charges, insurance, and any security interests, if  
6 applicable.

7 \* \* \*

8 12 C.F.R. § 1013.4.

9 77. Here, Defendants violated 15 U.S.C. § 1667a and 12 C.F.R. § 1013.4 by  
10 failing to provide such segregated disclosures, as described above, in the form and  
11 manner required by the CLA and Regulation M, prior to the consummation of Plaintiff's  
12 lease agreement.

13 78. To the extent any of the required disclosures may be found scattered  
14 throughout the overall lease bundle, Defendants fail to meet their burdens under the CLA  
15 and Regulation M because those disclosures are *not* properly segregated from other  
16 information, *not* provided in a manner substantially similar to the applicable model form,  
17 and *do not* contain only directly related information.

18 79. In short, Defendants' lease agreement with Plaintiff is precisely what the  
19 CLA and Regulation M were enacted to avoid—a confusing mess of terms that utterly  
20 fails to “focus[] the consumer’s attention on key information,” as the Board intended.

21 80. And Defendants' omissions are significant for, at the time Plaintiff signed  
22 the lease agreement, she was confused as to many of its terms, including (i) the total  
23 amount of money she owed under the lease; (ii) the exact amount of each periodic  
24 payment required by the lease; (iii) whether other charges may be assessed beyond her  
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1 periodic payments (such as for removal of the device at lease-end); and (iv) whether she  
2 had the option to purchase the leased property at the conclusion of the lease (and if so, at  
3 what price).  
4

5 81. Confusion of this magnitude is tantamount to deception on the part of  
6 Defendants; at signing, Plaintiff remained oblivious as to the true costs of the lease. *See*  
7 *McQuinn v. Bank of Am., N.A.*, 656 F. App'x 848, 849 (9th Cir. 2016); *Clement v. Am.*  
8 *Honda Fin. Corp.*, 145 F. Supp. 2d 206, 210 (D. Conn. 2001).  
9

10 82. In other words, the confusion created by Defendants' lease agreement is  
11 exactly the type of harm that the Board sought to address in implementing, and then  
12 amending, Regulation M.  
13

14 83. By virtue of their violations, Defendants are liable to Plaintiff under 15  
15 U.S.C. § 1667d(a), 15 U.S.C. § 1640(a)(1), and 15 U.S.C. § 1640(a)(2)(A)(i) for all  
16 actual damages incurred and for statutory damages in the amount of 25% of the total  
17 amount of monthly payments due under the lease agreement.  
18

19 84. The harm suffered by Plaintiff is particularized in that the violative lease  
20 agreement was presented to her personally, regarded her personal obligations in  
21 connection with the lease of an ignition interlock device, and failed to give her  
22 statutorily-mandated disclosures to which she was entitled.  
23

24 85. Likewise, the CLA's disclosure provisions  
25

26 serve[] to protect a consumer's concrete interest in "avoid[ing] the  
27 uninformed use of credit," a core object of the TILA. These procedures  
28 afford such protection by requiring a creditor to notify a consumer, at the  
time he opens a credit account, of how the consumer's own actions can  
affect his rights with respect to credit transactions. A consumer who is not

1 given notice of *his* obligations is likely not to satisfy them and, thereby,  
2 unwittingly to lose the very credit rights that the law affords him. For that  
3 reason, a creditor's alleged violation of each notice requirement, by itself,  
4 gives rise to a "risk of real harm" to the consumer's concrete interest in the  
informed use of credit.

5 *Strubel v. Comenity Bank*, 842 F.3d 181, 190-91 (2d Cir. 2016) (emphasis in original).

6 86. No matter, that risk of real harm materialized here, as Plaintiff was unaware  
7 of the true costs associated with her lease of the ignition interlock device as a result of  
8 Defendants' inadequate disclosures.

9  
10 87. Had Plaintiff known of the true costs involved, she may have pursued other  
11 alternatives for the ignition interlock device she desired.

12  
13 88. Further, the risk of real harm materialized in that Plaintiff paid Defendants  
14 a total of \$557.10 over several months pursuant to the lease agreement.

15 **WHEREFORE**, Plaintiff respectfully requests relief and judgment as follows:

16  
17 A. Determining that this action is a proper class action and designating  
18 Plaintiff as class representative under Rule 23 of the Federal Rules of Civil Procedure;

19  
20 B. Adjudging that Defendants violated 15 U.S.C. § 1667a and 12 C.F.R. §  
21 1013.4 for their failure to provide Plaintiff or members of the proposed class requisite  
22 segregated disclosures concerning their leases of Defendants' ignition interlock devices;

23  
24 C. Awarding Plaintiff and members of the proposed class actual damages  
25 pursuant to 15 U.S.C. § 1667d(a) and 15 U.S.C. § 1640(a)(1), and/or statutory damages  
26 pursuant to 15 U.S.C. § 1667d(a) and 15 U.S.C. § 1640(a)(2)(B);

1 D. Awarding Plaintiff and members of the proposed class their reasonable  
2 costs and attorneys' fees incurred in this action, including expert fees, pursuant to 15  
3 U.S.C. § 1640(a)(3) and Rule 23 of the Federal Rules of Civil Procedure;  
4

5 E. Awarding Plaintiff and members of the proposed class any pre-judgment  
6 and post-judgment interest as may be allowed under the law; and  
7

8 F. Awarding other and further relief as the Court may deem just and proper.

9 **TRIAL BY JURY**

10 Plaintiff is entitled to and hereby demands a trial by jury.  
11

12  
13 Respectfully submitted this 15th day of October, 2018.

14 By: s/ Jesse S. Johnson  
15 Jesse S. Johnson (*pro hac vice*)  
16

17 **CERTIFICATE OF SERVICE**

18 I hereby certify that on October 15, 2018, a copy of the foregoing was filed  
19 electronically using the Clerk of Court's CM/ECF system, which will provide notice to  
20 all counsel of record.  
21

22 s/ Jesse S. Johnson  
23 Jesse S. Johnson  
24  
25  
26  
27  
28