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ALAMEDA COUNTY

APR 15 2019

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19 *Attorneys for Plaintiff*

20 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
21 IN AND FOR THE COUNTY OF ALAMEDA

22 PEOPLE OF THE STATE OF CALIFORNIA,  
23  
24 Plaintiff,

24 vs.

25 E-Z RENT-A-CAR LLC, a Delaware company,  
(d/b/a "E-Z Rent-A-Car");  
26 E-Z RENT-A-CAR GROUP HOLDING, LLC, a  
27 Delaware company;  
28 ADVANTAGE OPCO, LLC, a Delaware  
company (d/b/a "Advantage Rent A Car"),  
29 Defendants.

Case No.: **RG19014872**

COMPLAINT FOR EQUITABLE  
RELIEF, INCLUDING AN  
INJUNCTION, RESTITUTION AND  
PENALTIES

1  
2 Plaintiff, the PEOPLE OF THE STATE OF CALIFORNIA (hereinafter, "the People"),  
3 represented by Xavier Becerra, Attorney General of California, by Michael Elisofon, Supervising  
4 Deputy Attorney General, and Sarah E. Kurtz, Deputy Attorney General; Nancy E. O'Malley,  
5 District Attorney of Alameda County, by Alyce C. Sandbach, Deputy District Attorney, and  
6 Matthew L. Beltramo, Assistant District Attorney; and Stephen M. Wagstaffe, District Attorney of  
7 San Mateo County, by John E. Wilson, Deputy District Attorney in Charge, allege as follows:

8 **VENUE AND JURISDICTION**

- 9 1. Venue is proper in the Alameda County Superior Court pursuant to Business and  
10 Professions Code section 17204 in that the violations alleged herein occurred in Alameda  
11 County and throughout the State of California. Further, E-Z RENT-A-CAR LLC, a  
12 Delaware company (d/b/a "E-Z Rent-A-Car"), E-Z RENT-A-CAR GROUP HOLDING,  
13 LLC, a Delaware company, and ADVANTAGE OPCO, LLC, a Delaware company  
14 (d/b/a "Advantage Rent A Car"), collectively referred to as "Defendants," transact  
15 business in Alameda County and throughout the State of California and did so at all times  
16 relevant to this action.
- 17 2. This Court has jurisdiction over this matter pursuant to the California Constitution,  
18 Article 6, section 10; Code of Civil Procedure section 393; and Business and Professions  
19 Code sections 17200, et seq., and 17500, et seq.

20 **PARTIES**

- 21 3. The Attorney General of the State of California and the District Attorneys referenced  
22 above, acting pursuant to California's consumer protection statutes, bring this lawsuit in  
23 the public interest in the name of the People of the State of California. Pursuant to  
24 Business and Professions Code sections 17200, 17203, 17204, 17206, 17500, 17535, and  
25 17536 the People seek to obtain an injunction, restitution, civil penalties and other  
26 remedies for the violations of law alleged herein.
- 27 4. The Attorney General and District Attorneys have authority to represent the People in  
28 this action pursuant to Business and Professions Code sections 17200, 17203, 17204,  
29 17206, 17500, 17535, and 17536.

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5. Defendants are, and at all times mentioned herein were, corporations or limited-liability companies, duly organized under the laws of the State of Delaware and headquartered in Florida.
  6. Whenever reference is made in this Complaint to any representation, act or transaction of Defendants, such allegation shall be deemed to mean Defendants and their direct and indirect subsidiaries did the acts alleged through its principals, officers, directors, employees, agents or representatives while they were acting within the course and scope of authority.
  7. Defendants are in the business of renting automobiles for use by members of the public. At all times relevant to this case, Defendants operated car rental agencies in the State of California, including at various airport locations. Occasionally, cars rented by Defendants were returned by renters with damage to them. Defendants violated California law by, among other things, frequently failing to pass along to renters the discounts or price reductions received from the automotive repair facilities hired to repair those cars and, instead, asserting damage claims based on third-party estimates that were higher than the actual cost of repair. Defendants also failed disclose material damage to rental cars at the time of their sale or disposal, as required by law or contract. Finally, Defendants failed to include certain statutorily required language when contracting with customers to sell damage waivers.
  8. The conduct and practices alleged herein originated with E-Z Rent-A-Car and were incorporated into Advantage Rent-A-Car following a merger between the two companies in June 2015. Upon information and belief, after being informed of the People's investigation, Defendants undertook remedial measures to comply with California law.

**FIRST CAUSE OF ACTION: UNFAIR COMPETITION**  
**Violation of Business and Professions Code sections 17200, et seq.**

9. The People reallege and incorporate by reference paragraphs 1-7, inclusive, as though fully set forth herein.
10. Beginning at an exact date that is unknown to the People, but within four years prior to the filing of this Complaint (plus additional time set forth in tolling agreements), Defendants violated California's Unfair Competition Law (Bus. & Professions Code §17200, et seq.) by engaging in the following unlawful acts:

- 1 a. Violating Civil Code section 1939.01, et seq. (previously codified at Civil Code  
2 section 1936, et seq.), related to the amount that can be charged to renters for  
3 damage to rental cars, the obligation of rental car companies to pass along any  
4 discounts on damage repair to the renter, and the disclosures that must be made in  
5 connection with damage waivers, specifically:
- 6 i. Civil Code section 1939.05(b) (previously codified at Civil Code section  
7 1936(c) and (d));
  - 8 ii. Civil Code section 1939.05(d) (previously codified at Civil Code section  
9 1936(c)(6));
  - 10 iii. Civil Code section 1939.07(a) (previously codified at Civil Code section  
11 1936(d)(3)); and
  - 12 iv. Civil Code section 1939.09(c)(2) (previously codified at Civil Code  
13 section 1936(g)(2)).
- 14 b. Violating Business and Professions Code section 17500, by failing to disclose  
15 material damage to rental cars at the time of their sale or disposal, as may be  
16 required by contract or law.

17 11. As a result of the legal violations described above, Defendants are subject to injunctive  
18 relief, restitution and civil penalties under Business and Professions Code sections 17203,  
19 17204, 17206, 17535, and 17536.

20 **PRAYER**

21 **WHEREFORE**, the People pray for relief as follows:


- 22 12. That Defendants be permanently enjoined, pursuant to Business & Professions Code  
23 sections 17203, 17204 and 17535, from engaging in or performing, directly or indirectly,  
24 any unlawful conduct set forth in the First Cause of Action.
- 25 13. That Defendants be ordered to pay restitution, as appropriate, according to law, pursuant  
26 to Business & Professions Code sections 17203 and 17535;
- 27 14. That Defendants be ordered to pay a civil penalty of up to \$2,500.00 for each violation of  
28 law, pursuant to Business and Professions Code sections 17206 and 17536;
- 29 15. That the People recover the costs of investigation and suit;
- 30 16. That the People be given such other and further relief as the nature of this case may

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require and this Court deems proper.


Dated: April 10, 2019

XAVIER BECERRA  
Attorney General of California

By:   
Michael Elisofon  
Supervising Deputy Attorney General  
Sarah E. Kurtz  
Deputy Attorney General  
*Attorneys for the Plaintiff, People of the  
State of California*

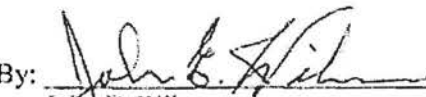
Dated: April 10, 2019

NANCY E. O'MALLEY  
District Attorney, Alameda County

By:   
Matthew L. Beltramo  
Assistant District Attorney  
Alyce C. Sandbach  
Deputy District Attorney  
*Attorneys for the Plaintiff, People of the  
State of California*

Dated: April 10, 2019

STEPHEN M. WAGSTAFFE  
District Attorney, San Mateo County

By:   
John E. Wilson  
Deputy District Attorney in Charge  
*Attorneys for the Plaintiff, People Of The  
State Of California*