

Lawsuit Alleges Top Luxury Car Dealer Rallye Motors Defrauded, Deceived Customers

Leeds Brown Law PC filed a purported class-action lawsuit alleging luxury car dealer failed to use new parts in making collision repairs; paid off adjusters.

NEW YORK, NY, August 21, 2020 /EINPresswire.com/ -- A luxury car dealer on Long Island's Gold Coast is accused in a newly filed lawsuit of operating a "pervasive" scheme that deceived and defrauded countless owners of Mercedes, BMW, Lexus and Acura vehicles who used the dealer's body shop for accident repairs.



The suit, a purported class action, alleges customers paid Rallye Collision Center for labor that was not performed, received estimates for parts that were not replaced and/or received refurbished parts instead of new parts that the shop previously claimed were essential to properly repair the car. As a result, customers unwittingly drove away with unsafe cars that had declined in value. The suit also alleges Rallye paid off insurance adjusters to submit deceptive repair estimates.

“Rallye violated the trust of countless consumers who came to its body shop to get their cars repaired”
Attorney Jeffrey Brown

Attorney Jeffrey K. Brown, of New York-based [Leeds Brown Law](#) P.C, who filed the case, said potential damages could total hundreds of millions of dollars.

The suit (Index No. 608131/2020) was filed Aug. 10 in State Supreme Court in Mineola on behalf of North Shore resident Salvatore J. Stile, an international shipping executive who said he has been a Rallye customer for decades. The suit names Rallye Motors Co., Rallye Motors Holding LLC and owner, Juliana Terian, as defendants.

Rallye, established in 1958, markets itself as the nation's fifth-largest auto dealer and the only auto dealer group representing all four top-selling luxury brands on Long Island. Rallye Collision Center advertises that "great care will be taken to use only genuine replacement parts, factory specific paints, and exacting auto body repair methods" to ensure that their customer's vehicle is "as good as new."

In the suit, Stile said his 2015 Mercedes Benz S550 was repaired at Rallye after a rear-end

collision in 2016 at a cost of more than \$20,000, largely paid by his insurer. He subsequently discovered that he purchased labor that was not performed and parts that were not replaced. His original estimate of \$20,808.15, included \$14,260 for parts, \$4,270 for labor. However, Stile's invoice listed only \$4,142 for parts (71 percent below the estimate) and labor charges of \$10,107 (137 percent above the estimate). In this scheme Rallye reduced the amount of new parts they claimed was needed for repairs, yet increased the highly more profitable labor costs. Ultimately, Stile paid a deductible in the amount of \$1,000 and his insurance carrier paid \$19,808.15 for the exact same total of \$20,808.15.

"Plaintiff and members of the putative class did not receive the high-quality service and parts they were promised and in fact failed to receive all material information about the repairs performed by Rallye, the nature of those transaction, and defendants' improper financial relationships with insurance adjusters," the suit stated, noting that customers were unaware of the true nature of the work performed.

The suit details the cases of 17 additional unnamed customers with claims of, among other things, unjust enrichment, false advertising, breach of warranty, and violations of New York's general business and motor vehicle laws. It seeks an injunction that would end the alleged deceptive practices, unspecified damages and attorney's fees.

Brown said he attempted to bring the alleged scheme to the attention of Rallye's owners and its attorneys but received no response. He said the firm investigated for a year after the case was

NYSCEF DOC. NO. 2 INDEX NO. 608131/2020
RECEIVED NYSCEF: 08/10/2020

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NASSAU

SALVATORE J. STILE, individually and on behalf of
others similarly situated

Plaintiffs,
- against -
RALLYE MOTORS LLC, RALLYE MOTORS HOLDING
LLC, JULIANA TERIAN, any other related entities,
Defendants.

Index No.: _____/2020
CLASS ACTION
COMPLAINT
Jury Trial Demanded

Plaintiff SALVATORE J. STILE ("Named Plaintiff"), individually and on behalf of
others similarly situated (collectively "Plaintiffs"), upon personal knowledge as to facts
pertaining to himself and on information and belief as to all other matters, by and through their
undersigned counsel, Leeds Brown Law, P.C., bring this class action complaint against
Defendants RALLYE MOTORS, LLC, JULIANA TERIAN, RALLYE MOTORS HOLDING
LLC, and all other related entities (collectively, "Defendants").

NATURE OF THE ACTION

1. Defendants jointly own, operate, and manage several car dealerships under the
"Rallye" umbrella or brand including Rallye Mercedes-Benz, Rallye BMW, Rallye Lexus, and
Rallye Acura franchises, amongst its most prominent dealership locations on Long Island, New
York.

2. Defendants jointly operate, manage, and own a single integrated enterprise
commonly known as "Rallye."

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Cover page of the lawsuit



Attorney Jeffrey Brown , who filed a class-action lawsuit against Rallye Motors

brought to the firm's attention by a whistleblower.

The suit claims that Stile and other class members were harmed financially by the alleged deceptions in two ways: the value of their cars declined in value, including the ability to resell or trade them, and, as a result of the inflated insurance claims, they were charged higher premiums and higher deductibles for insurance coverage.

Brown said his firm began investigating Rallye's practices about a year ago after being alerted to them by a whistleblower who intends to file a whistleblower suit within 60 days.

"Rallye violated the trust of countless consumers who came to its body shop to get their cars repaired," said Brown. "I don't believe these customers realized what was happening."

"It was a pure profit play," said Stile. "It was profit over safety. My family was driving in an unsafe car. They could have been in jeopardy."

About Leeds Brown Law PC

Leeds Brown Law, PC is a New York City and Long Island area law firm dedicated to providing the highest quality guidance and representation to clients with concerns involving a broad range of legal practice areas. Over the last two decades, the firm's attorneys have become widely known and respected — in New York and across the U.S. — for their ability to litigate complex legal issues effectively, and for the outstanding results the firm has achieved, particularly in the areas of employment law, class actions, civil rights, discrimination and sexual harassment. For more information visit leedsbrownlaw.com or call 1-800-585-4658.

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