

NOTICE OF FILING

Details of Filing

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File Title:	MARDY ROBERT JOHN TAYLOR v TOYOTA MOTOR CORPORATION AUSTRALIA LIMITED ACN 009 686 097
Registry:	NEW SOUTH WALES REGISTRY - FEDERAL COURT OF AUSTRALIA



Sia Lagos

Registrar

Important Information

This Notice has been inserted as the first page of the document which has been accepted for electronic filing. It is now taken to be part of that document for the purposes of the proceeding in the Court and contains important information for all parties to that proceeding. It must be included in the document served on each of those parties.

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DEFENCE

NSD 1326/2025

Federal Court of Australia
District Registry: New South Wales
Division: General

Mardy Robert John Taylor

Applicant

Toyota Motor Corporation Australia Limited (ACN 009 686 097)

Respondent

To the allegations in the statement of claim filed on 1 August 2025 (**Statement of Claim**), the respondent (**Toyota Australia**) says by way of defence as follows:

A. Parties

1. It admits paragraph 1.
2. As to paragraph 2, it:
 - (a) admits that the New Group Members have made the claims pleaded against Toyota Australia in the Statement of Claim; and
 - (b) otherwise denies paragraph 2.
3. It does not know and therefore cannot admit paragraph 3.
4. It admits paragraph 4.
5. It admits paragraph 5.
6. As to paragraph 6, it:
 - (a) admits paragraph 6; and

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- (b) says further that the dealerships through which Relevant Vehicles were supplied during the Initial Relevant Period operated as franchises and were separate corporate entities from Toyota Australia.

B. DPF System in the Relevant Vehicles

- 7. It admits paragraph 7.
- 8. It admits paragraph 8.
- 9. It admits paragraph 9.
- 10. It admits paragraph 10.
- 11. It admits paragraph 11.
- 12. It admits paragraph 12.
- 13. It admits paragraph 13.
- 14. It admits paragraph 14.
- 15. It admits paragraph 15.
- 16. It admits paragraph 16.
- 17. It admits paragraph 17.
- 18. It admits paragraph 18.
- 19. It admits paragraph 19.

C. The Core Defect and the Defect Consequences

- 20. As to paragraph 20, it:
 - (a) admits paragraph 20(a);
 - (b) admits paragraph 20(b);
 - (c) admits paragraph 20(c);

(d) as to paragraph 20(d):

(i) says the references to “Relevant Vehicles” in paragraphs 20(d)((vi) and (viii) ought be a reference to the “Relevant Vehicle”; and

(ii) otherwise admits paragraph 20(d); and

(e) it admits paragraph 20(e).

D. The Applicant’s Relevant Vehicle

21. As to paragraph 21, it:

(a) it admits paragraph 21(a); and

(b) repeats paragraph 20(d) above and otherwise admits paragraph 21(b).

22. It does not know and therefore cannot admit paragraph 22.

23. It does not know and therefore cannot admit paragraph 23.

24. It does not know and therefore cannot admit paragraph 24.

E. Toyota Australia’s knowledge

25. It admits paragraph 25.

26. It admits paragraph 26.

27. It admits paragraph 27.

28. It admits paragraph 28.

29. It admits paragraph 29.

30. It admits paragraph 30.

F Toyota Australia’s representations

31. It admits paragraph 31.

32. As to paragraph 32, it:

- (a) admits that the Vehicle Representations, Future Vehicle Representations, DPF Representations and Future DPF Representations were continuing representations throughout the Initial Relevant Period; and
- (b) otherwise denies paragraph 32.

33. As to paragraph 33, it:

- (a) admits that Toyota Australia failed to correct or qualify the Vehicle Representations, Future Vehicle Representations, DPF Representations and Future DPF Representations at any time during the Initial Relevant Period; and
- (b) otherwise denies paragraph 33.

G. Toyota Australia's omissions

34. It admits paragraph 34.

H. Guarantee of Acceptable Quality

35. It admits paragraph 35.

36. It admits paragraph 36.

37. It admits paragraph 37.

38. It admits paragraph 38.

39. As to paragraph 39, it:

- (a) admits that at the time the Applicant's Relevant Vehicle was supplied to the Initial Acquirer, there was a guarantee that the vehicle was of acceptable quality within the meaning of section 54 of the ACL; and
- (b) otherwise denies paragraph 39.

40. As to paragraph 40, it:

- (a) refers to and repeats paragraphs 20 and 31 to 34 above; and

- (b) otherwise admits paragraph 40.

41. As to paragraph 41, it:

- (a) admits that the matters pleaded in paragraph 40 of the Statement of Claim cumulatively meant that each Relevant Vehicle (including the Applicant's Relevant Vehicle) was not of acceptable quality within the meaning of s 54 of the ACL at the time it was supplied to an Initial Acquirer; and
- (b) otherwise denies paragraph 41.

I. Applicant's and New Group Members' claims for damages

42. As to paragraph 42, it:

- (a) admits that the failure of each Relevant Vehicle to comply with the statutory guarantee of acceptable quality resulted in a reduction in value of the vehicle at the time it was supplied to an Initial Acquirer, but otherwise does not know and therefore does not admit paragraph 42(a);
- (b) says that:
 - (i) Toyota Australia made the 2020 Field Fix (as defined in the 16 May 2022 Orders) available in and from May 2020 free of charge;

Particulars

Initial Trial Reasons, [15(10)].

- (ii) the 2020 Field Fix (as defined in the 16 May 2022 Orders) was effective, and will continue to be effective, in remedying the Core Defect and its consequences in all Relevant Vehicles to which the 2020 Field Fix was and is applied; and

Particulars

Answer to common question 5 in the 16 May 2022 Orders.

- (iii) it is necessary to take the effectiveness and availability of the 2020 Field Fix into account when assessing any reduction in value of each Relevant Vehicle; and

(c) does not know and therefore cannot admit paragraph 42(b).

43. It admits paragraph 43.

44. As to paragraph 44:

- (a) it denies the paragraph;
- (b) it says that the claims of the Applicant and all New Group Members for damages or compensation pursuant to sections 271 and 272 of the ACL are statute barred, by section 273 of the ACL.

Particulars

On 7 April 2022, the Initial Trial Reasons were delivered. By no later than this date, the Applicant and New Group Members became aware, or ought reasonably to have become aware, that the guarantee of acceptable quality had not been complied with. This proceeding was commenced on 1 August 2025, more than three years after 7 April 2022.

- (c) further or alternatively, it says that:
 - (i) Toyota Australia gave or made express warranties to the Initial Acquirers, the Applicant and New Group Members with respect to the Relevant Vehicles;

Particulars

The express warranties are:

- (i) the “Toyota New Vehicle Warranty” set out in Warranty and Service Booklets provided with Relevant Vehicles prior to 1 January 2019;
- (ii) the “Toyota Warranty Advantage” set out in Warranty and Service Booklets provided with Relevant Vehicles and on TMCA’s website (<https://www.toyota.com.au/-/media/toyota/main-site/page-data/warranty/files/toyota-warranty-advantage-terms-conditions.pdf>) from 1 January 2019 onwards;

- (iii) set out in letters issued by Toyota Australia to the owners of Relevant Vehicles (based on its records) from on or about 31 July 2020 advising that Toyota Australia had extended its relevant warranty coverage, so as to apply for 10 years from delivery of each vehicle when new (**10 Year Warranty Letter**);
 - (iv) set out in a letters issued by Toyota Australia to the owners of Relevant Vehicles (based on its records) from on or about November 2024 advising that Toyota Australia had extended its relevant warranty coverage, so as to apply until the 2020 Field Fix had been completed for the Relevant Vehicles (**2024 Warranty Letter**);
 - (v) set out in a letters issued by Toyota Australia to the owners of Affected Vehicles (based on its records) from on or about July 2025 advising that Toyota Australia extended its relevant warranty coverage, so as to apply until the 2020 Field Fix had been completed for the Relevant Vehicles (**2025 Warranty Letter**); and
 - (vi) as to the Applicant's Relevant Vehicle, the express warranties are set out in:
 - A. the Warranty and Service Booklet supplied with the Applicant's Relevant Vehicle;
 - B. a 10 Year Warranty Letter dated 20 August 2020 and sent to the Initial Acquirer of the Applicant's Relevant Vehicle; and
 - C. a 2025 Warranty Letter dated 10 July 2025 and sent to the Initial Acquirer of the Applicant's Relevant Vehicle
 (together the "**Express Warranties**").
- (ii) at least some Initial Acquirers and New Group Members have, in accordance with one or more of the Express Warranties, required Toyota Australia to remedy its non-compliance with the guarantee of acceptable quality in section 54 of the ACL by repairing their vehicle (together the "**Remedied Vehicles**");

Particulars

The requirement was express or inferred from the conduct of the Applicants and Group Members.

Insofar as it was express, it was made orally and/or in writing.

Insofar as it was inferred, such inference is drawn from the fact that the Applicants and relevant Group Members brought in their Relevant Vehicle for one or more services and TMCA (through Toyota dealers) repaired the vehicle.

Further particulars may be provided prior to the final trial.

- (iii) the 2020 Field Fix (as defined in the 16 May 2022 Orders) was effective, and will continue to be effective, in remedying the Core Defect and its consequences in all Relevant Vehicles to which the 2020 Field Fix was and is applied;

Particulars

Answer to common question 5 in the 16 May 2022 Orders.

- (iv) by implementing the 2020 Field Fix, Toyota Australia remedied its non-compliance with the guarantee of acceptable quality in section 54 of the ACL in respect of the Remedied Vehicles (**Remediation**);
 - (v) in respect of each Remedied Vehicle, TMCA undertook the Remediation within a reasonable time; and
 - (vi) by reason of the matters in sub-paragraphs (i) to (v) above and pursuant to section 271(6) of the ACL, those New Group Members whose Relevant Vehicles have undergone the Remediation are not entitled to commence an action to recover damages of a kind referred to in section 272(1)(a) of the ACL, and are not entitled to recover such damages.
- (d) further or alternatively, it repeats its answers to paragraph 42;
- (e) further or alternatively, it says that, wherever an Initial Acquirer supplied the Relevant Vehicle to a New Group Member in trade or commerce, then:
- (i) there was a guarantee of acceptable quality under section 54 of the ACL at the time of that supply; and
 - (ii) any entitlement of the New Group Member to recover damages under s 272(1)(a) of the ACL is limited to the reduction in value of

their Relevant Vehicle that results from the failure to comply with the guarantee, below whichever of the following prices is lower:

- A. the price paid or payable by the New Group Member to the Initial Acquirer; and
- B. the average retail price of the Relevant Vehicle at the time of the supply by the Initial Acquirer to the New Group Member.

45. As to paragraph 45, it denies that the Applicant and the New Group Members are entitled to the relief sought.

Date: 19 September 2025



Signed by Andrew Morrison
Lawyer for the Respondent

This pleading was prepared by Amy Munro SC and Xuelin Teo of counsel and settled by Garry Rich SC.