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October 8, 2015

# VIA E-MAIL TRANSMISSION AND ECF FILING

The Honorable Robert E. Gerber United States Bankruptcy Judge United States Bankruptcy Court Southern District of New York Alexander Hamilton Custom House One Bowling Green New York, New York 10004

> Re: In re Motors Liquidation Company, *et al.* Case No. 09-50026 (REG)

## Letter Regarding Update on Related Proceedings

Dear Judge Gerber:

King & Spalding LLP is co-counsel with Kirkland & Ellis LLP for General Motors LLC ("<u>New GM</u>") in the above-referenced matter. Pursuant to Your Honor's Endorsed Order dated May 5, 2015 [Dkt. No. 13131], we write to update the Court regarding developments in proceedings relating to New GM. Specifically,

- On October 6, 2015, the GUC Trust Participating Unitholders filed with the Second Circuit Court of Appeals the *Participating Unitholders' Unopposed Motion For Redesignation As Creditors-Appellees-Cross-Appellants* ("<u>Redesignation Motion</u>"). A copy of the Redesignation Motion is attached hereto as Exhibit "1."
- On October 7, 2015, pursuant to Judge Furman's Order No. 81 ¶ 2 (MDL Docket No. 1404),<sup>1</sup> counsel for New GM filed a letter ("<u>October 7 Letter</u>") in MDL 2543 to apprise the District Court of New GM's position with respect to motions filed in MDL 2543 by the *Bradford*, *Carroll*, *Duncan*, *Dunn*, and *Patterson* plaintiffs for leave to amend their complaints (collectively, the "<u>Motions to Amend</u>"). Copies of the October 7 Letter and

<sup>&</sup>lt;sup>1</sup> A copy of MDL Order No. 81 was previously provided to the Court by update letter dated September 25, 2015. DMSLIBRARY01\21600\162081\27296320.v1-10/8/15

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Honorable Robert E. Gerber October 8, 2015 Page 2

the seven Motions to Amend are annexed hereto as **Exhibits "2" through "9"** respectively.

- 3. On October 7, 2015, Judge Furman endorsed the joint agenda letter<sup>2</sup> ("<u>Endorsed Agenda</u> <u>Letter</u>") for the October 9, 2015 MDL status conference filed by counsel to New GM and Lead and Liaison Counsel on October 2, 2015. A copy of the Endorsed Agenda Letter is attached hereto as **Exhibit "10."**
- 4. Today, October 8, 2015, counsel to New GM and Lead and Liaison Counsel filed a joint letter ("Joint Letter") addressed to Judge Furman to advise on matters of possible significance in proceedings related to MDL 2543, which includes an update on the status of this bankruptcy case. A copy of the Joint Letter, without exhibits,<sup>3</sup> is attached hereto as Exhibit "11."

Respectfully submitted,

/s/ Scott Davidson

Scott Davidson

AJS/sd Encl.

cc: Edward S. Weisfelner Howard Steel Sander L. Esserman Jonathan L. Flaxer S. Preston Ricardo Alexander H. Schmidt Matthew J. Williams Lisa H. Rubin Keith Martorana Daniel Golden Deborah J. Newman Jamison Diehl William Weintraub Steve W. Berman Elizabeth J. Cabraser Robert C. Hilliard Gary Peller

<sup>&</sup>lt;sup>2</sup> A copy of the joint agenda letter for the October 9 Status Conference was previously provided to the Court by update letter dated October 5, 2015.

<sup>&</sup>lt;sup>3</sup> There are 26 exhibits annexed to the Joint Letter, many of which are documents that have previously been filed with this Court; the other documents do not appear relevant to this bankruptcy case. To the extent the Court believes the exhibits should be filed, New GM will do so promptly.

09-50026-reg Doc 13493-1 Filed 10/08/15 Entered 10/08/15 13:05:55 Exhibit 1 Pg 1 of 11

# **EXHIBIT 1**

09-50026-16gseD5c2E349334cuffiled 10/08/4556/E01eret610/08/1546c05c550 Exhibit 1 UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT Thurgood Marshall U.S. Courthouse 40 Foley Square, New York, NY 10007 Telephone: 212-857-8500	
MOTION INFORMATION STATEMENT	
Docket Number(s): 15-2844-bk; 15-2847-bk, 15-2848-bk	Caption [use short title]
Motion for: Redesignation as Creditors-Appellees-	Elliott, et al. v. General Motors LLC, et al. (In re Motors Liquidation Co., et al., f//k/a General Motors Corp., et al.
Cross-Appellants	
Set forth below precise, complete statement of relief sought: The Participating Unitholders seek to have	
their designation changed from "Creditors-	
Appellees" to "Creditors-Appellees-Cross-	
Appellants."	
MOVING PARTY: Participating Unitholders	OPPOSING PARTY: See Attachment A
Appellant/Petitioner	
MOVING ATTORNEY: Deborah Newman	OPPOSING ATTORNEY: See Attachment A
Akin Gump Strauss Hauer & Feld LLP	dress, phone number and e-mail]
i	
One Bryant Park, New York, New York 10036	
(212) 872-7481; djnewman@akingump.com	
Court-Judge/Agency appealed from: U.S. Bankruptcy Court for the	e Southern District of New York/Judge Robert E. Gerber
Please check appropriate boxes:	FOR EMERGENCY MOTIONS, MOTIONS FOR STAYS AND
Has movant notified opposing counsel (required by Local Rule 27.1):	INJUNCTIONS PENDING APPEAL:         Has request for relief been made below?         Has this relief been previously sought in this Court?         Requested return date and explanation of emergency:
Opposing counsel's position on motion: Unopposed Opposed Don't Know Does opposing counsel intend to file a response: Yes Vo Don't Know	
	or oral argument will not necessarily be granted)
Signature of Moving Attorney: /s/ Deborah J. Newman Date: 10/05/2015 Service b CM/ECF O Other [Attach proof of service]	

# ATTACHMENT A

# **COUNSEL FOR OTHER PARTIES**

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## 09-50026-regse Doc21349334cuFrited 10/08/0506/E01er,e0610/08/05169056550 Exhibit 1 Pg 5 of 11

No. 15–2844

# IN THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

IN RE: MOTORS LIQUIDATION COMPANY, *Debtor*,

IGNITION SWITCH PLAINTIFFS, IGNITION SWITCH PRE-CLOSING ACCIDENT PLAINTIFFS, *Appellees*,

CELESTINE ELLIOTT, LAWRENCE ELLIOTT, BERENICE SUMMERVILLE, Appellants-Cross-Appellees,

GROMAN PLAINTIFFS Appellees,

GENERAL MOTORS LLC, Appellee-Cross-Appellant,

WILMINGTON TRUST COMPANY, Appellee-Cross-Appellant,

PARTICIPATING UNITHOLDERS, Creditors-Appellees.

PARTICIPATING UNITHOLDERS' UNOPPOSED MOTION FOR REDESIGNATION AS CREDITORS-APPELLEES-CROSS-APPELLANTS

> ON APPEAL FROM THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF NEW YORK

# Daniel H. Golden Deborah J. Newman AKIN GUMP STRAUSS HAUER & FELD LLP One Bryant Park New York, New York 10036

Counsel for the Participating Unitholders

# CORPORATE DISCLOSURE STATEMENT

Each Participating Unitholder is a limited partnership with no parent corporation, and no publicly held corporation owns a 10 percent or greater interest in any of the Participating Unitholders.

### 09-50026-regse Doc28349334cuFrited 10/08/0506/E01er,e0610/08/0576500 Exhibit 1 Pg 8 of 11

The Participating Unitholders, Creditors-Appellees, in the above-captioned proceeding, respectfully submit this Unopposed Motion for Redesignation as Creditors-Appellees-Cross-Appellants.<sup>1</sup> To properly align the parties and avoid confusion in the record, the Participating Unitholders respectfully request the Court to redesignate them as cross-appellants in addition to the Participating Unitholders' current designation of Creditor-Appellees.

The Motors Liquidation GUC Trust (the "<u>GUC Trust</u>") was established pursuant to Old GM's chapter 11 plan. The Participating Unitholders are holders of beneficial interests in the GUC Trust; the Wilmington Trust Company acts as the trustee for and administrator of the GUC Trust. On June 15, 2015, the Participating Unitholders and Wilmington Trust Company jointly filed a Notice of Cross-Appeal [ECF 13204] in the Bankruptcy Court from the Bankruptcy Court's judgment (the "Judgment") entered on June 1, 2015 [ECF 13177]. On September 9, 2015, this Court granted certain parties' petitions, pursuant to 28 U.S.C. § 158(d)(2), for leave to appeal directly to this Court from the Judgment. Wilmington Trust Company was among those parties seeking leave to appeal directly to this Court; the Participating Unitholders were not (*see* Document 7-1; Case No. 15-2844). Nevertheless, as a result of this Court's order granting a direct appeal from the

<sup>&</sup>lt;sup>1</sup> The other parties to these proceedings do not oppose the relief sought by the Participating Unitholders in this Motion—designating and treating the Participating Unitholders as appellees and cross-appellants in these proceedings. The Ignition Switch Plaintiffs, the Ignition Switch Pre-Closing Accident Plaintiffs, the Groman Plaintiffs, Celestine Elliott, Lawrence Elliott, Berenice Summerville and the other parties, however, do not take any position as to the representations or arguments made in these Motion papers.

### 

Judgment, all appeals of the Judgment, including the Participating Unitholders' cross-appeal, will be heard by this Court.

The Participating Unitholders along with Wilmington Trust Company have been properly designated as Appellees in this proceeding. However, because Wilmington Trust Company petitioned this Court for a direct appeal, Wilmington Trust Company is also designated as a cross-appellant. The Participating Unitholders noticed their cross-appeal jointly with Wilmington Trust Company, and the Participating Unitholders' cross-appeal will be heard by this Court.<sup>2</sup>

This Court's Rules provide that "designations may be modified by the parties' agreement . . . ." Fed. R. App. P. 28.1(b). The undersigned have conferred with counsel for all other parties to these proceedings, as well as counsel for the proposed intervenors, State of Arizona , People of the State of California, Sesay Plaintiffs, Bledsoe Plaintiffs, and Groman Plaintiffs, and confirmed that these parties agreed to the relief sought in the present Motion. Counsel for the other parties take no position as to any of the argument or representations in this Motion. Further, the rules governing this proceeding provide that "designations may be modified . . . by court order." Fed. R. App. P. 28.1(b).

<sup>&</sup>lt;sup>2</sup> In order to avoid unnecessary duplication, wherever possible, the Participating Unitholders anticipate filing briefs in this appeal jointly with Wilmington Trust Company.

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Accordingly, in order to properly align the parties and avoid confusion in the record, the Participating Unitholders respectfully request that they be designated as cross-appellants along with Wilmington Trust Company.

# CONCLUSION

For the forgoing reasons, the Participating Unitholders respectfully request

that this Court enter an Order redesignating them as Creditors-Appellees-Cross-

Appellants on this appeal.

Dated: October 5, 2015

Respectfully Submitted,

AKIN GUMP STRAUSS HAUER & FELD LLP

By: /s/ Deborah J. Newman

Deborah J. Newman One Bryant Park New York, New York 10036 T: (212) 872-7481 <u>djnewman@akingump.com</u>

Counsel for the Participating Unitholders

09-50026-reg Doc 13493-2 Filed 10/08/15 Entered 10/08/15 13:05:55 Exhibit 2 Pg 1 of 3

# **EXHIBIT 2**

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# KIRKLAND & ELLIS LLP

AND AFFILIATED PARTNERSHIPS

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October 7, 2015

The Honorable Jesse M. Furman United States District Court for the Southern District of New York 500 Pearl Street New York, NY 10007

> Re: In re: General Motors LLC Ignition Switch Litigation; Bradford, et al. v. General Motors LLC, 1:15-cv-04088 (JMF); Carroll v. General Motors LLC, 1:14-cv-09469 (JMF); Duncan v. General Motors LLC, 1:14-cv-05881 (JMF); Dunn v. General Motors LLC, 1:14-cv-10006 (JMF); Patterson, et al. v. General Motors LLC, 1:15-cv-02089 (JMF)

Dear Judge Furman:

Andrew B. Bloomer, P.C. To Call Writer Directly:

(312) 862-2482

andrew.bloomer@kirkland.com

Pursuant to this Court's Order No. 81 ¶ 2 (Doc. No. 1404), counsel for General Motors LLC ("New GM") write to apprise the Court of New GM's position with respect to the motions filed by the *Bradford*, *Carroll*, *Duncan*, *Dunn*, and *Patterson* plaintiffs for leave to amend their complaints (Doc. Nos. 1432, 1434–1439).

New GM respectfully requests that each of the plaintiffs' motions be stayed pending adjudication of certain issues before the Bankruptcy Court. In particular,

- Each complaint asserts a claim for punitive or exemplary damages related to vehicles and/or parts manufactured and sold by Old GM. New GM's position is that such claims are not Product Liabilities assumed by New GM pursuant to the Sale Order, but are Retained Liabilities of Old GM and thus barred by the Sale Order.<sup>1</sup>
- Each complaint asserts a claim alleging post-sale failure to warn and/or recall with respect to an Old GM-sold vehicle. New GM's position is that such a claim is barred by the Sale Order.

<sup>&</sup>lt;sup>1</sup> As explained in extensive briefing in the Bankruptcy Court, New GM purchased assets, free and clear of liabilities and claims relating to vehicles sold by Old GM, other than certain specified Assumed Liabilities. New GM does not have any ongoing obligations to vehicle owners relating to Old GM's Retained Liabilities.

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# KIRKLAND & ELLIS LLP

The Honorable Jesse M. Furman October 7, 2015 Page 2

• The *Duncan* complaint pleads a count of fraudulent concealment. New GM's position is that claims for fraudulent concealment are Retained Liabilities and plaintiffs are enjoined from asserting these claims against New GM by the Bankruptcy Court's July 5, 2009 Sale Order and Injunction, April 15, 2015 Decision, and June 1, 2015 Judgment.

Pursuant to the Bankruptcy Court's September 3, 2015 Scheduling Order (09-bk-50026, Doc. No. 13416), each of these issues has been briefed in the Bankruptcy Court, and argument will be heard on October 14, 2015.

Accordingly, New GM respectfully requests that plaintiffs' motions for leave to amend their complaints be stayed pending the Bankruptcy Court's adjudication of the matters before it.<sup>2</sup> A stay of such motions will not prejudice plaintiffs, whose claims are already stayed pursuant to this Court's Order No. 1. (Doc. No. 19.) Further, if the alleged purpose of amending the complaints is to make them consistent with the Bankruptcy Court rulings, it makes sense and promotes judicial efficiency for the Bankruptcy Court to rule on all the issues that implicate the allegations and causes of action asserted in these complaints.

Upon the Bankruptcy Court's adjudication of the issues described herein, New GM will notify this Court and provide a proposal for how this Court should proceed, pursuant to Order No. 81  $\P$  4.

Respectfully submitted,

/s/ Richard C. Godfrey, P.C. /s/ Andrew B. Bloomer, P.C.

Counsel for Defendant General Motors LLC

cc: The Honorable Robert E. Gerber MDL Counsel of Record

<sup>&</sup>lt;sup>2</sup> Although New GM has identified certain issues to be adjudicated by the Bankruptcy Court relevant to plaintiffs' proposed amendments, New GM reserves the right to oppose amendment of any complaint on other grounds unrelated to issues to be adjudicated by the Bankruptcy Court.

09-50026-reg Doc 13493-3 Filed 10/08/15 Entered 10/08/15 13:05:55 Exhibit 3 Pg 1 of 61

# **EXHIBIT 3**

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# UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

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#### IN RE: GENERAL MOTORS LLC IGNITION SWITCH LITIGATION

14-MD-2543 (JMF)

This Document Relates to:

Case No. <u>1:14-cv-05881-JMF</u>

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# BRENDA DUNCAN PLAINTIFF,

V.

# GENERAL MOTORS, LLC, DEFENDANT

-----X

# MOTION FOR LEAVE TO FILE FIRST AMENDED COMPLAINT

COMES NOW Plaintiff, by counsel, and hereby moves the Court for leave to file her First Amended Complaint in order to comply with rulings of the Bankruptcy Court. As grounds for this Motion, Plaintiff states as follows:

- 1. Plaintiff's original Complaint, included claims for damages potentially related to prebankruptcy conduct of "Old GM," among other claims.
- On June 1, 2015, and as amended by a September 3, 2015 scheduling order, the United States Bankruptcy Court for the Southern District of New York has determined that certain claims, related to vehicles manufactured by Motors Liquidation Company (Old GM), cannot be maintained against General Motors LLC (New GM). See, In re: MOTORS LIQUIDATION COMPANY, et al., f/k/a General Motors Corp., et al., Case No. 09-50026 (REG)
- 3. On September 24, 2015, this Court entered Order No. 81 to streamline the amendment process. In accordance with this order, Plaintiff has attached hereto a redline version of the original complaint as Exhibit A and a Proposed Amended Petition as Exhibit B.

WHEREFORE, Plaintiff respectfully requests that this Court enter an Order directing the filing of tendered Proposed Amended Petition.

Dated: September 30, 2015

Respectfully submitted,

# THE POTTS LAW FIRM, LLP

By: /s/ Eric G. Jensen\_

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 MO# 43094

 Derek H. Potts
 NY #44882

 The Potts Law Firm, LLP

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# **ATTORNEYS FOR PLAINTIFFS**

# IN THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF MISSOURI KANSAS CITY DIVISION

)
)
) Case No. 4:14-cv-00597
) JURY TRIAL DEMANDED
)
)
)
)
)
)

# **COMPLAINT**

COMES NOW Plaintiff BRENDA DUNCAN and for her claims and causes of action against Defendant GENERAL MOTORS LLC, states:

# PARTIES, JURISDICTION, AND VENUE

1. Plaintiff BRENDA DUNCAN is now and was at all times relevant a citizen and resident of the state of Missouri.

2. Defendant GENERAL MOTORS LLC ("New GM" or "Defendant") is not a citizen of Missouri. General Motors LLC is (and was at the time this lawsuit was filed) a Delaware limited liability company with its principal place of business in Michigan. General Motors LLC's sole member and 100 percent owner is General Motors Holdings LLC, which is also a Delaware limited liability company with its principal place of business in Michigan. General Motors Holdings LLC's sole member and 100 percent owner is received business in Michigan.

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Defendant General Motors Company, which is (and was at the time this lawsuit was filed) a publicly traded Delaware corporation with its principal place of business in Michigan, making General Motors LLC a citizen and resident of Delaware and Michigan. General Motors LLC may be served with process by serving its registered agent for service, CSC of St. Louis County, Inc., 130 South Bemiston Avenue, Suite 303 Clayton, MO 63105.

3. With respect to the facts alleged and claims asserted in this Complaint, New GM is the corporate successor of General Motors Corporation ("Old GM"), which filed a voluntary Petition for relief under Chapter 11 of the U.S. Bankruptcy Code on June 1, 2009. (General Motors Corporation and General Motors LLC will be collectively referred to as "GM"). On or about July 10, 2009, New GM acquired substantially all of the assets and assumed certain liabilities of Old GM by way of a Section 363 sale under Chapter 11 of the Bankruptcy Code. Plaintiff's causes of action in this lawsuit are brought against New GM, and Plaintiff does not assert any causes of action against Old GM. Although this Complaint references facts against Old GM, it is for background and reference purposes only. At all times relevant to the claims in this lawsuit, GM has been in the business of developing, manufacturing, and marketing cars throughout the State of Missouri. New GM has a network of authorized retailers that sells New GM vehicles and parts throughout Missouri and the United States.

4. Complete diversity exists between Plaintiff and Defendant. Plaintiff is seeking damages in excess of \$75,000.00, exclusive of interest and costs. Subject matter jurisdiction is proper pursuant to 28 U.S.C. § 1332.

5. Defendant is subject to personal jurisdiction in this U.S. District Court for

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Western District of Missouri as Defendant systematically and continually conducts business in this District and conducts business throughout the United States.

6. Pursuant to 28 U.S.C. § 1391(a), venue is proper in the Western District of Missouri as it is a judicial district in which Defendant resides for purposes of venue and is a district in which a substantial part of the events or omissions giving rise to the claim occurred.

### **BACKGROUND FACTS**

7. Brenda Duncan owned a 2007 Chevrolet Impala ("Plaintiff's Vehicle" or "2007 Chevrolet Impala") (Vehicle Identification Number ("VIN"): 2G1WB55K279181591), which she purchased in 2008. Brenda Duncan purchased the 2007 Chevrolet Impala because of the vehicle's advertised quality, reliability, and safety features.

8. On February 15, 2014, Brenda Duncan was driving the 2007 Chevrolet Impala on Interstate 435 in Kansas City, Missouri in a reasonable and customary manner. As Plaintiff was travelling northbound, she suddenly lost the ability to steer or control Plaintiff's Vehicle. Plaintiff's Vehicle then left the roadway and struck the side of a bridge. Upon information and belief, Plaintiff's driver's side frontal airbag did not deploy.

9. As a result of the loss of control and subsequent collision, and failure of her airbag to deploy, Plaintiff sustained serious personal injuries and damages.

10. Unbeknownst to Plaintiff, her 2007 Chevrolet Impala had a serious and unreasonably dangerous defect with the ignition switch. Specifically, the ignition switch had the ability to change from the "Run" position to the "Accessory" position while the

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vehicle was moving, thereby causing the engine to lose power with a resultant loss of power to the steering, brakes, air bags, and other essential safety functions of the car. This defective condition directly resulted in a loss of power exactly at the time and place where Plaintiff most needed these essential functions to avoid this collision and/or lessen the impact of the collision.

11. The problem with Plaintiff's vehicle was not unique. Plaintiff's vehicle was one of many vehicles subject to recent recall(s) relating to a large number of GM vehicles' ignition switches. A recall notice was issued by New GM for certain of its vehicles, including Brenda Duncan's 2007 Chevrolet Impala, approximately four months after her crash, on or about June 16, 2014. At or about that that time, New GM issued a notice to the National Highway Traffic Safety Administration ("NHTSA"), notifying it of a recall to include 2005-2009 Buick Lacrosses, 2006-2011 Buick Lucernes, 2000-2005 Cadillac Devilles, 2006-2011 Cadillac DTSs, 2006-2014 Chevrolet Impalas, and 2006-2007 Chevrolet Monte Carlos ("Subject Vehicles"), with the number of vehicles affected by the recall being 3,141,731.

12. As part of the recall made on or about June 16, 2014, New GM admitted that if the key ring is carrying added weight and the vehicle goes off road or experiences some other jarring event, it may unintentionally move the key away from the "Run" position.

13. As part of the recall made on or about June 16, 2014, New GM further admitted that if this occurred, engine power, power steering, and power braking will be affected, increasing the risk of a crash.

14. As part of the recall sent on or about June 16, 2014, New GM admitted that

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the timing of the key movement out of the "Run" position, relative to the activation of the sensing algorithm of the crash event, may result in the airbags not deploying, increasing the potential for occupant injury in certain kinds of crashes.

15. In addition, as early as 2005, GM knew that a key hole design modification that would require a piece price increase of \$0.50 per vehicle could prevent certain movements in the ignition switch of certain GM vehicles with the same or similar ignition switches.

16. GM began installing defective ignition switches beginning as early as 2000 in certain GM vehicle models. Upon information and belief, GM knew the ignition switches were defectively designed, but nonetheless continued to manufacture and sell defective ignition switches with the knowledge that they would be used in GM vehicles, including the Subject Vehicles.

As background, and not as a basis for damages, the recently published "Report to the Board of Directors of General Motors Company Regarding Ignition Switch Recalls" authored by Anton R. Valukas ("The Valukas Report"), provides that GM made a conscious decision, in the fall of 2002, to use the defective ignition switch in the Subject Vehicles "that was so far below GM's own specifications that it failed to keep the car powered on in circumstances that drivers would encounter." GM knew of, and approved, the final version of the Ignition Switch that was installed in millions of cars despite knowing that the force required to disengage the ignition switch was far below minimum specifications.

- 2. As background, and not as a basis for damages, according to documents obtained by a United States House of Representatives committee during an investigation into the Defective Ignition Switches, GM opened an opened an engineering inquiry about the defective Ignition Switch in 2004 after customers complained that the Subject Vehicles could be turned off while driving.
- 3. As background, and not as a basis for damages, in addition, as early as 2005, GM knew that a key hole design modification that would require a piece price increase of \$0.50 per vehicle could prevent certain movements in the ignition switch of certain GM vehicles with the same or similar ignition switches. Yet GM found that the part was too expensive and the change would take too much time.

17. Because of defects in their design, the ignition switches installed in the Subject Vehicles are, by their nature, loose and/or improperly positioned and are susceptible to failure during normal and expected conditions. The key sold with the 2007 Chevrolet Impala has a slot design which allows the key fob or chain to hang lower on the key and increases the chance of the key inadvertently moving from the "Run" to "Accessory" or "Off" position during ordinary driving maneuvers (the "Ignition Switch Defect"). When this ignition switch failure occurs, the motor engine and certain electrical components such as power-assisted steering and anti-lock brakes are turned off, thereby endangering the vehicle occupants and compromising the safety airbag system.

18. The Ignition Switch Defect can occur at any time during normal and proper

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operation of the Subject Vehicles, meaning the ignition can suddenly switch off while it is moving at 70 mph on the freeway, leaving the driver unable to control the vehicle, and vulnerable to a nonfunctioning safety airbag system.

19. The Ignition Switch Defect precludes drivers and owners of the Subject Vehicles, such as Plaintiff Brenda Duncan, from proper and safe use of their vehicles, reduces vehicle occupant protection, and endangers them and other vehicle occupants. However, no driver or owner of the Subject Vehicles, including Plaintiff Brenda Duncan, knew, or could reasonably have discovered, the Ignition Switch Defect, prior to it manifesting in a sudden and dangerous failure.

20. Upon information and belief, prior to the sale of the Subject Vehicles, GM knew of the Ignition Switch Defect through sources such as pre-release design, manufacturing, and field testing data; in-warranty repair data; early consumer complaints made directly to GM, collected by the National Highway Transportation Safety Administration's Office of Defect Investigation ("NHTSA ODI") and/or posted on public online vehicle owner forums; field testing done in response to those complaints; aggregate data from GM dealers; and accident data. Despite this knowledge, GM failed to disclose and actively concealed the defects in the ignition switch from Plaintiff Brenda Duncan and the public, and continued to market and advertise the Subject Vehicles as reliable and safe vehicles, which they are not.

21. As a result of GM's misconduct, Plaintiff Brenda Duncan was harmed and suffered actual damages and personal injuries, in that the Subject Vehicles are unsafe, unfit for their ordinary and intended use, and have manifested, or are at unreasonable risk of

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manifesting, the Ignition Switch Defect by way of a sudden and dangerous failure that puts them and others at serious risk of injury or death. Drivers and owners of the Subject Vehicles, including Plaintiff Brenda Duncan, did not receive the benefit of their bargain as purchasers and/or lessees, received vehicles that were of a lesser standard, grade, and quality than represented, and did not receive vehicles that met ordinary and reasonable consumer expectations. Drivers and owners of the Subject Vehicles, including Plaintiff Brenda Duncan, did not receive vehicles that would reliably operate with reasonable safety, and that would not place drivers and occupants in danger of encountering an ongoing and undisclosed risk of harm, which could have been avoided, as GM knew but did not disclose, through the use of non-defective ignition parts.

#### **COUNT I: STRICT LIABILITY – MANUFACTURING DEFECT**

22. Plaintiff hereby incorporates by reference each and every paragraph set forth in this Complaint as if fully copied and set forth at length herein.

23. Defendant designed, selected, inspected, tested, assembled, equipped, manufactured, marketed, distributed, and/or sold or otherwise placed into the stream of commerce the Subject Vehicles, including Plaintiff's 2007 Chevrolet Impala, and component parts thereof, including but not limited to, equipping them with an ignition switch with design, manufacturing, and/or marketing defects, more particularly set forth herein.

24. Defendant had a legal duty to design, inspect, test, manufacture, and assemble the Subject Vehicles, including the 2007 Chevrolet Impala, and the component parts so that they would be reasonably crashworthy and provide a reasonable degree of

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occupant safety in foreseeable collisions occurring in the highway environment of its expected use.

25. At all times relevant herein, the Subject Vehicles, including Plaintiff's 2007 Chevrolet Impala, and component parts thereof, including the ignition switch, were expected to reach, and did reach, consumers throughout the United States without substantial change in the condition in which they were sold.

26. It was foreseeable to Defendant that the Subject Vehicles would be sold to consumers throughout the United States, including the sale of the 2007 Chevrolet Impala to Plaintiff, and used in the manner for which they were intended by the Defendant.

27. At all times relevant herein, the Subject Vehicles were designed, developed, manufactured, tested, packaged, promoted, marketed, distributed, labeled, and/or sold by Defendant in a defective and unreasonably dangerous condition at the time they were placed in the stream of commerce in ways which include, but are not limited to, one or more of the following:

- (a) the Subject Vehicles, including their component parts, which includes their ignition switches, contained manufacturing defects;
- (b) the ignition switches in the Subject Vehicles were inadequately manufactured; and/or
- (c) the Subject Vehicles, including their component parts, which includes their ignition switches, were not made in accordance with Defendant's specifications or performance standards.
- 28. The manufacturing defects of the Subject Vehicles, including the 2007

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Chevrolet Impala, occurred while the product was in the possession and control of the Defendant.

29. The manufacturing defects of the Subject Vehicles, including the 2007 Chevrolet Impala, existed before they left the control of Defendant.

30. It was foreseeable to Defendant that the Subject Vehicles and their component parts, including the ignition switch, which were manufactured, designed, inspected, tested, assembled, equipped, distributed, and/or sold or otherwise placed into the stream of commerce would fail and cause users and consumers like Plaintiff Brenda Duncan to be unable to control said vehicles and be involved in a collision.

31. As a direct and proximate result of the foregoing acts and omissions, Plaintiff suffered severe and permanent physical injuries. She has endured, and will continue to endure, substantial pain and suffering. She has incurred significant expenses for medical care and treatment, and will continue to incur such expenses in the future. Plaintiff has lost past earnings and has suffered a loss of earning capacity. Plaintiff has suffered and will continue to suffer economic loss, and has otherwise been physically, emotionally and economically injured. Her injuries and damages are permanent and will continue into the future. Plaintiff seeks actual and punitive damages from Defendant as alleged herein.

WHEREFORE, Plaintiff prays for judgment in Count I against Defendant for damages in excess of Seventy-Five Thousand Dollars (\$75,000.00), which is fair and reasonable, costs herein expended, punitive damages to punish and deter any such conduct in the future and such other relief as the Court deems just and proper under the circumstances.

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#### **COUNT II: STRICT LIABILITY - DESIGN DEFECT**

32. Plaintiff hereby incorporates by reference each and every paragraph set forth in this Complaint as if fully copied and set forth at length herein.

33. Defendant designed, selected, inspected, tested, assembled, equipped, manufactured, marketed, distributed, and/or sold or otherwise placed into the stream of commerce the Subject Vehicles, including Plaintiff's 2007 Chevrolet Impala, and component parts thereof, including but not limited to, equipping them with an ignition switch with design, manufacturing, and/or marketing defects, more particularly set forth herein.

34. Defendant had a legal duty to design, inspect, test, manufacture, and assemble the Subject Vehicles, including the 2007 Chevrolet Impala, and the component parts so that they would be reasonably crashworthy and provide a reasonable degree of occupant safety in foreseeable collisions occurring in the highway environment of its expected use.

35. At all times relevant herein, the Subject Vehicles, including Plaintiff's 2007 Chevrolet Impala, and component parts thereof, including the ignition switch, were expected to reach, and did reach, consumers throughout the United States without substantial change in the condition in which they were sold.

36. It was foreseeable to Defendant that the Subject Vehicles would be sold to consumers throughout the United States, including the sale of the 2007 Chevrolet Impala to Plaintiff, and used in the manner for which they were intended by the Defendant.

37. At all times relevant herein, the Subject Vehicles were designed, developed, manufactured, tested, packaged, promoted, marketed, distributed, labeled, and/or sold by Defendant in a defective and unreasonably dangerous condition at the time they were placed

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in the stream of commerce in ways which include, but are not limited to, one or more of the following:

- (a) having an ignition switch that is inadequately designed and located, which may result in the key moving from the "Run" to "Accessory" or "Off" position during normal driving maneuvers;
- (b) having an ignition switch that allows the 2007 Chevrolet Impala to stall or lose engine power, and steering and/or full braking ability while driving;
- (c) having frontal airbags that do not deploy when the key is in the accessory/off position; and
- (d) failing to adequately warn Plaintiff Brenda Duncan, other consumers, or the public in general, about the unsafe and defective condition and design of the vehicle known to GM, so that individuals like Plaintiff Brenda Duncan could make informed and prudent decisions regarding the purchase and use of such vehicles.

38. When placed in the stream of commerce, the Subject Vehicles were defective in design, in that they were not reasonably fit, suitable, or safe for their intended purpose and/or their foreseeable risks exceed the benefits associated with their design, making the use of the Subject Vehicles more dangerous than an ordinary consumer would expect, and more dangerous than risks associated with alternatives.

39. In addition, at the time the Subject Vehicles left the control of the Defendant, there were practical and feasible alternative designs of the Subject Vehicles and their component parts, including the ignition switches that would have prevented and/or

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significantly reduced the risk of Plaintiff's injuries without impairing the reasonably anticipated or intended function of the Subject Vehicles. These safer alternative designs were economically and technologically feasible, and would have prevented or significantly reduced the risk of Plaintiff's injuries without substantially impairing the Subject Vehicle's utility.

40. As a direct and proximate result of the foregoing acts and omissions, Plaintiff suffered severe and permanent physical injuries. She has endured, and will continue to endure, substantial pain and suffering. She has incurred significant expenses for medical care and treatment, and will continue to incur such expenses in the future. Plaintiff has lost past earnings and has suffered a loss of earning capacity. Plaintiff has suffered and will continue to suffer economic loss, and has otherwise been physically, emotionally and economically injured. Her injuries and damages are permanent and will continue into the future. Plaintiff seeks actual and punitive damages from Defendant as alleged herein.

WHEREFORE, Plaintiff prays for judgment in Count II against Defendant for damages in excess of Seventy-Five Thousand Dollars (\$75,000.00), which is fair and reasonable, costs herein expended, punitive damages to punish and deter any such conduct in the future and such other relief as the Court deems just and proper under the circumstances.

## **COUNT III: STRICT LIABILITY - FAILURE TO WARN**

41. Plaintiff hereby incorporates by reference each and every paragraph set forth in this Complaint as if fully copied and set forth at length herein.

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42. Defendant designed, selected, inspected, tested, assembled, equipped, manufactured, marketed, distributed, and/or sold or otherwise placed into the stream of commerce the Subject Vehicles, including Plaintiff's 2007 Chevrolet Impala, and component parts thereof, including but not limited to, equipping them with an ignition switch with design, manufacturing, and/or marketing defects, more particularly set forth herein.

43. Defendant had a legal duty to design, inspect, test, manufacture, and assemble the Subject Vehicles, including the 2007 Chevrolet Impala, and the component parts so that they would be reasonably crashworthy and provide a reasonable degree of occupant safety in foreseeable collisions occurring in the highway environment of its expected use.

44. At all times relevant herein, the Subject Vehicles were expected to reach, and in fact did reach, consumers throughout the United States without substantial change in the condition in which they were sold.

45. At all times relevant herein, the Subject Vehicles, including Plaintiff's 2007 Chevrolet Impala and component parts thereof, including the ignition switch system, were expected to reach, and did reach, consumers throughout the United States without substantial change in the condition in which they were sold.

46. It was foreseeable to Defendant that the Subject Vehicles would be sold to consumers throughout the United States, including the sale of the 2007 Chevrolet Impala to Plaintiff, and used in the manner for which they were intended by the Defendant.

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47. At all times relevant herein, the Subject Vehicles, including Plaintiff's 2007 Chevrolet Impala, were defective and unreasonably dangerous when they left the possession of Defendant in that they contained warnings insufficient to alert consumers, including Plaintiff herein, of the dangerous risks associated with the defective condition of the Subject Vehicles, notwithstanding Defendant's knowledge of the dangerous risks, including but not limited to the following:

- (a) having an ignition switch that is inadequately designed, constructed, and/or located, which may result in the key moving from the "Run" to "Accessory" or "Off" position during normal driving maneuvers;
- (b) having an ignition switch that allows the 2007 Chevrolet Impala to stall or lose engine power, and steering and/or full braking ability while driving;
- (c) having frontal airbags that do not deploy when the key is in the accessory/off position; and
- (d) failing to adequately warn Plaintiff Brenda Duncan, other consumers, or the public in general, about the unsafe and defective condition and design of the Subject Vehicles known to GM, so that individuals like Plaintiff Brenda Duncan could make informed and prudent decisions regarding the purchase and use of such vehicles.

48. Plaintiff could not, by the exercise of reasonable care, have discovered the defects herein mentioned and perceived their danger.

49. Defendant knew or should have known of the risks of the defective condition of the Subject Vehicles and their component parts.

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50. Additionally, Defendant, as manufacturer, designer, distributor, and/or seller of the Subject Vehicles is held to the level of knowledge of an expert in the field.

51. Plaintiff reasonably relied upon the skill, superior knowledge and/or judgment of Defendant.

52. Defendant had a duty to warn Plaintiff and consumers of the dangers associated with the Subject Vehicles and their component parts, including the ignition switch.

53. Despite Defendant's knowledge of the risks of the defective condition of the Subject Vehicles and their component parts, Defendant failed to adequately warn Plaintiff and consumers of those risks.

54. Had Plaintiff received adequate warnings regarding the unsafe and defective condition of the Subject Vehicles and their risks, she would not have purchased and/or used such vehicle.

55. As a direct and proximate result of the foregoing acts and omissions, Plaintiff suffered severe and permanent physical injuries. She has endured, and will continue to endure, substantial pain and suffering. She has incurred significant expenses for medical care and treatment, and will continue to incur such expenses in the future. Plaintiff has lost past earnings and has suffered a loss of earning capacity. Plaintiff has suffered and will continue to suffer economic loss, and has otherwise been physically, emotionally and economically injured. Her injuries and damages are permanent and will continue into the future. Plaintiff seeks actual and punitive damages from Defendant as alleged herein.

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WHEREFORE, Plaintiff prays for judgment in Count III against Defendant for damages in excess of Seventy-Five Thousand Dollars (\$75,000.00), which is fair and reasonable, costs herein expended, punitive damages to punish and deter any such conduct in the future and such other relief as the Court deems just and proper under the circumstances.

#### **COUNT IV: NEGLIGENCE**

56. Plaintiff hereby incorporates by reference each and every paragraph set forth in this Complaint as if fully copied and set forth at length herein.

57. Defendant was negligent in designing, selecting, inspecting, testing, assembling, equipping, manufacturing, marketing, distributing, and/or selling or otherwise placing into the stream of commerce the ignition switch which was selected and installed in the Subject Vehicles, including the 2007 Chevrolet Impala.

58. Defendant had a duty to individuals, including Plaintiff, to use reasonable care in designing, selecting, inspecting, testing, assembling, equipping, manufacturing, marketing, distributing, and/or selling or otherwise placing into the stream of commerce the ignition switch which was selected and installed in the Subject Vehicles, including the 2007 Chevrolet Impala.

59. Defendant was negligent in failing to use reasonable care as described here in designing, selecting, inspecting, testing, assembling, equipping, manufacturing, marketing, distributing, and/or selling or otherwise placing into the stream of commerce the ignition switch which was selected and installed in the Subject Vehicles, including the 2007 Chevrolet Impala. Defendant breached its aforementioned duty by:
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- (a) Failing to design the ignition switch so as to avoid an unreasonable risk of harm to drivers, users, and occupants, including Plaintiff, of the Subject Vehicles, including the 2007 Chevrolet Impala;
- (b) Failing to manufacture the ignition switch so as to avoid an unreasonable risk of harm to drivers, users, and occupants of the Subject Vehicles, including the 2007 Chevrolet Impala, including Plaintiff;
- (c) Failing to use reasonable care in the testing of the ignition switch so as to avoid an unreasonable risk of harm to drivers, users, and occupants of the Subject Vehicles, including the 2007 Chevrolet Impala, including Plaintiff;
- (d) Failing to use reasonable care in inspecting the ignition switch so as to avoid an unreasonable risk of harm to drivers, users, and occupants of the Subject Vehicles, including the 2007 Chevrolet Impala, including Plaintiff; and
- (e) Otherwise negligently or carelessly designing, selecting, inspecting, testing, assembling, equipping, manufacturing, marketing, distributing, and/or selling or otherwise placing into the stream of commerce the ignition switch which was selected and installed in the Subject Vehicles, including the 2007 Chevrolet Impala.

60. Defendant also negligently failed to warn or instruct Plaintiff and/or others that the ignition switch which was selected and installed in the Subject Vehicles, including the 2007 Chevrolet Impala, had an unsafe and defective condition and design which was known to Defendant.

61. As a direct and proximate result of the foregoing acts and omissions, Plaintiff

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suffered severe and permanent physical injuries. She has endured, and will continue to endure, substantial pain and suffering. She has incurred significant expenses for medical care and treatment, and will continue to incur such expenses in the future. Plaintiff has lost past earnings and has suffered a loss of earning capacity. Plaintiff has suffered and will continue to suffer economic loss, and has otherwise been physically, emotionally and economically injured. Her injuries and damages are permanent and will continue into the future. Plaintiff seeks actual and punitive damages from Defendant as alleged herein.

WHEREFORE, Plaintiff prays for judgment in Count IV against Defendant for damages in excess of Seventy-Five Thousand Dollars (\$75,000.00), which is fair and reasonable, costs herein expended, punitive damages to punish and deter any such conduct in the future and such other relief as the Court deems just and proper under the circumstances.

#### **COUNT V: BREACH OF EXPRESS WARRANTY**

62. Plaintiff hereby incorporates by reference each and every paragraph set forth in this Complaint as if fully copied and set forth at length herein.

63. Defendant made assurances as described herein to the general public that the Subject Vehicles, including the 2007 Chevrolet Impala, were safe and reasonably fit for their intended purposes.

64. Plaintiff chose to purchase the 2007 Chevrolet Impala described herein based upon Defendant's warranties and representations as described herein regarding the safety and fitness of the 2007 Chevrolet Impala.

65. Plaintiff reasonably relied upon Defendant's express warranties and

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guarantees that the 2007 Chevrolet Impala was safe, merchantable, and reasonably fit for its intended purposes.

66. Defendant breached these express warranties because the ignition switch in the 2007 Chevrolet Impala was unreasonably dangerous and defective as described herein and not as Defendant had represented.

67. Defendant's breach of its express warranties resulted in Plaintiff's use of an unreasonably dangerous and defective product, placing said Plaintiff's health and safety in jeopardy.

68. As a direct and proximate result of the foregoing acts and omissions, Plaintiff suffered severe and permanent physical injuries. She has endured, and will continue to endure, substantial pain and suffering. She has incurred significant expenses for medical care and treatment, and will continue to incur such expenses in the future. Plaintiff has lost past earnings and has suffered a loss of earning capacity. Plaintiff has suffered and will continue to suffer economic loss, and has otherwise been physically, emotionally and economically injured. Her injuries and damages are permanent and will continue into the future. Plaintiff seeks actual and punitive damages from Defendant as alleged herein.

WHEREFORE, Plaintiff prays for judgment in Count V against Defendant for damages in excess of Seventy-Five Thousand Dollars (\$75,000.00), which is fair and reasonable, costs herein expended, punitive damages to punish and deter any such conduct in the future and such other relief as the Court deems just and proper under the circumstances.

#### **COUNT VI: BREACH OF IMPLIED WARRANTY**

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69. Plaintiff hereby incorporates by reference each and every paragraph set forth in this Complaint as if fully copied and set forth at length herein.

70. Defendant impliedly warranted that the Subject Vehicles, including the 2007 Chevrolet Impala, were merchantable and were fit for the ordinary purposes for which they were intended.

72. Plaintiff relied upon Defendant's implied warranties of merchantability in purchasing and operating the 2007 Chevrolet Impala.

73. Defendant breached these implied warranties of merchantability because the 2007 Chevrolet Impala was neither merchantable nor suited for its intended use as warranted.

74. Defendant's breach of its implied warranties resulted in Plaintiff's use of an unreasonably dangerous and defective product, placing said Plaintiff's health and safety in jeopardy.

75. As a direct and proximate result of the foregoing acts and omissions, Plaintiff suffered severe and permanent physical injuries. She has endured, and will continue to endure, substantial pain and suffering. She has incurred significant expenses for medical care and treatment, and will continue to incur such expenses in the future. Plaintiff has lost past earnings and has suffered a loss of earning capacity. Plaintiff has suffered and will continue to suffer economic loss, and has otherwise been physically, emotionally and economically injured. Her injuries and damages are permanent and will continue into the

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future. Plaintiff seeks actual and punitive damages from Defendant as alleged herein.

WHEREFORE, Plaintiff prays for judgment in Count VI against Defendant for damages in excess of Seventy-Five Thousand Dollars (\$75,000.00), which is fair and reasonable, costs herein expended, punitive damages to punish and deter any such conduct in the future and such other relief as the Court deems just and proper under the circumstances.

#### **COUNT VII: FRAUDULENT MISREPRESENTATION**

76. Plaintiff hereby incorporates by reference each and every paragraph set forth in this Complaint as if fully copied and set forth at length herein.

77. Defendant falsely and fraudulently represented to consumers, and to Plaintiff, that the Subject Vehicles were safe and fit for their intended purposes and use.

78. The representations made by Defendant were, in fact, false.

79. When said representations were made by Defendant, it knew those representations to be false and they willfully, wantonly, and recklessly disregarded whether the representations were true.

80. These representations were made by Defendant with the intent of defrauding and deceiving Plaintiff and the public in general, and were made with the intent of inducing the public in general to purchase the Subject Vehicles, which evinced a callous, reckless, willful, depraved indifference to the health, safety and welfare of the Plaintiff and the general public.

81. At the time the aforesaid representations were made by Defendant and, at the time Plaintiff purchased the 2007 Chevrolet Impala, the Plaintiff was unaware of the falsity

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of said representations and reasonably believed them to be true.

82. In reliance upon said representations, Plaintiff was induced to and did purchase and use the 2007 Chevrolet Impala.

83. Defendant knew and was aware or should have been aware that the Subject Vehicles, including the 2007 Chevrolet Impala, were defective in nature in that they had the Ignition Switch Defect and/or that it lacked adequate and/or sufficient warnings.

84. Defendant knew or should have known that the Subject Vehicles had the potential to, could, and would cause severe and grievous injury to the users of said products, and that they were inherently dangerous in a manner that exceeded any purported, inaccurate, and/or down-played warnings.

85. Defendant brought the Subject Vehicles to the market, and acted fraudulently, wantonly, and maliciously to the detriment of the Plaintiff.

86. As a direct and proximate result of the foregoing acts and omissions, Plaintiff suffered severe and permanent physical injuries. She has endured, and will continue to endure, substantial pain and suffering. She has incurred significant expenses for medical care and treatment, and will continue to incur such expenses in the future. Plaintiff has lost past earnings and has suffered a loss of earning capacity. Plaintiff has suffered and will continue to suffer economic loss, and has otherwise been physically, emotionally and economically injured. Her injuries and damages are permanent and will continue into the future. Plaintiff seeks actual and punitive damages from Defendant as alleged herein.

WHEREFORE, Plaintiff prays for judgment in Count VII against Defendant for damages in excess of Seventy-Five Thousand Dollars (\$75,000.00), which is fair and

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reasonable, costs herein expended, punitive damages to punish and deter any such conduct in the future and such other relief as the Court deems just and proper under the circumstances.

#### COUNT VIII: FRAUDULENT CONCEALMENT

87. Plaintiff hereby incorporates by reference each and every paragraph set forth in this Complaint as if fully copied and set forth at length herein.

88. At all times during the course of dealing between Defendant and Plaintiff and the general public, Defendant misrepresented the safety of the Subject Vehicles, including the 2007 Chevrolet Impala, for their intended use.

89. Defendant knew or was reckless in not knowing that its representations were, in fact, false.

90. In representations to Plaintiff and the general public, Defendant fraudulently concealed and intentionally omitted material information, including but not limited to, the fact that:

- (a) the Subject Vehicles were manufactured and/or designed negligently, defectively, and/or improperly in that the ignition switches installed in the Subject Vehicles are, by their nature, loose and/or improperly positioned and are susceptible to failure during normal and expected conditions;
- (b) the keys sold with the Subject Vehicles have a slot design which allows the key fob or chain to hang lower on the key and increases the chance of the key inadvertently moving from the "Run" to "Accessory" or "Off" position during ordinary driving maneuvers (the "Ignition Switch Defect"); and

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(c) when this ignition switch failure occurs, the motor engine and certain electrical components such as power-assisted steering and anti-lock brakes are turned off, thereby endangering the vehicle occupants and compromising the safety airbag system.

91. Defendant was under a duty to disclose to Plaintiff and consumers the defective nature of the Subject Vehicles, including, but not limited to, the Ignition Switch Defect.

92. Defendant had sole access to material facts concerning the defective nature of the Subject Vehicles and its propensity to cause serious and dangerous side effects, and hence cause damage to persons who used the Subject Vehicles, including Plaintiff in particular.

93. Defendant's concealment and omissions of material facts concerning, inter alia, the safety of the Subject Vehicles was made purposefully, willfully, wantonly, and/or recklessly, to mislead Plaintiff and consumers into reliance on the use of the Subject Vehicles, and to cause them to purchase and/or use the product.

94. Defendant knew that consumers, including Plaintiff, had no way to determine the truth behind Defendant's concealment and omissions, as set forth herein.

95. Plaintiff reasonably relied on facts revealed which negligently, fraudulently, and/or purposefully did not include facts that were concealed and/or omitted by Defendant.

96. As a direct and proximate result of the foregoing acts and omissions, Plaintiff suffered severe and permanent physical injuries. She has endured, and will continue to endure, substantial pain and suffering. She has incurred significant expenses for medical

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care and treatment, and will continue to incur such expenses in the future. Plaintiff has lost past earnings and has suffered a loss of earning capacity. Plaintiff has suffered and will continue to suffer economic loss, and has otherwise been physically, emotionally and economically injured. Her injuries and damages are permanent and will continue into the future. Plaintiff seeks actual and punitive damages from Defendant as alleged herein.

WHEREFORE, Plaintiff prays for judgment in Count VIII against Defendant for damages in excess of Seventy-Five Thousand Dollars (\$75,000.00), which is fair and reasonable, costs herein expended, punitive damages to punish and deter any such conduct in the future and such other relief as the Court deems just and proper under the circumstances.

#### **COUNT IX: NEGLIGENT MISREPRESENTATION**

97. Plaintiff hereby incorporates by reference each and every paragraph set forth in this Complaint as if fully copied and set forth at length herein.

98. Defendant had a duty to represent and did represent to consumers, and to Plaintiff, that the Subject Vehicles, including the 2007 Chevrolet Impala, were safe for their intended use.

99. The representations made by Defendant were, in fact, false.

100. Defendant failed to exercise ordinary care in the representation of the Subject Vehicles, while involved in its manufacture, sale, testing, quality assurance, quality control, and/or distribution of said products into interstate commerce in that Defendant negligently misrepresented the Subject Vehicles were safe for their intended use.

101. Defendant breached its duty in misrepresenting the safety of the Subject

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Vehicles for their intended use to consumers and to the Plaintiff.

102. As a direct and proximate result of the foregoing acts and omissions, Plaintiff suffered severe and permanent physical injuries. She has endured, and will continue to endure, substantial pain and suffering. She has incurred significant expenses for medical care and treatment, and will continue to incur such expenses in the future. Plaintiff has lost past earnings and has suffered a loss of earning capacity. Plaintiff has suffered and will continue to suffer economic loss, and has otherwise been physically, emotionally and economically injured. Her injuries and damages are permanent and will continue into the future. Plaintiff seeks actual and punitive damages from Defendant as alleged herein.

WHEREFORE, Plaintiff prays for judgment in Count IX against Defendant for damages in excess of Seventy Five Thousand Dollars (\$75,000.00), which is fair and reasonable, costs herein expended, punitive damages to punish and deter any such conduct in the future and such other relief as the Court deems just and proper under the circumstances.

#### **COUNT X: PUNITIVE DAMAGES**

103. Plaintiff hereby incorporates by reference each and every paragraph set forth in this Complaint as if fully copied and set forth at length herein.

104. While New GM expressly accepted responsibility for accident occurring on or after July 10, 2009, it also acquired knowledge of Old GM's activities generally, and the existence of the defective ignition switches in place in millions of vehicles specifically. New GM acquired personnel, documents, and electronic data from Old GM, including but not limited to, top leadership personnel, executives, members of the Board of Directors, internal legal counsel, engineers and quality control personnel. Most importantly, New GM retained the engineer in charge of designing and approving the manufacturing specifications of the defective ignition switch. The employees retained by New GM carried with them the knowledge they gained at Old GM. New GM also acquired knowledge about the issues with the ignition switch, moving stalls and airbag non-deployment through the chief engineer, design and manufacturing documents, internal memorandum, and reports to the Board of Directors. New GM continued to service – and to receive complaints about – vehicles manufactured on Old GM's watch.

105.New GM also acquired certain duties with regard to vehicles in production and on the road at the time of the Sale and Purchase Agreement – duties it breached egregiously – as has been well-publicized and for which it has been justifiably criticized. These duties included, but are not limited to, those arising under the National Traffic and Motor Vehicle Safety Act, 49 U.S.C. § and the Transportation Recall Enhancement, Accountability and Documentation Act, 49 U.S.C. §§ 30101-30170. GM was fined \$35 Million by NTSHA for its delayed reporting of the ignition switch problem and violating federal safety laws.106.New GM's liability for damages is attributable to its own post-sale conduct and failure to timely remedy and/or recall vehicles it knew had deadly defects, even with regard to vehicles manufactured and sold prior to the Sale and Purchase Agreement.

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# 107.Defendant sold the Subject Vehicles, including the 2007 Chevrolet Impala, to consumers without doing adequate testing to ensure that the Subject Vehicles were reasonably safe for their use and intended purposes.

105. Defendant sold the 2007 Chevrolet Impala in spite of its knowledge that the ignition switches can unexpectedly and suddenly move from the "On" or "Run" position while the vehicle is in operation to the "Off" or "Accessory" position, thereby causing severe and debilitating injuries suffered by Plaintiff and numerous other individuals.

106. Defendant ignored reports of consumers, which began as early as 2004, regarding the ignition switch of certain GM vehicles with the same or similar ignition switches throughout the United States and elsewhere of the products' failures to perform as intended, which led to the severe and debilitating injuries suffered by Plaintiff and numerous other individuals.

107. Defendant knew of the Subject Vehicles' defective and unreasonably dangerous nature, but continued to manufacture, market, distribute, and sell the products so as to maximize sales and profits at the expense of the health and safety of the public, including Plaintiff.

108. Defendant, through its conduct in designing, testing, manufacturing, assembling, marketing, selling, and failing to adequately repair the 2007 Chevrolet Impala purchased by Plaintiff, demonstrated wilful misconduct, malice, fraud, wantonness, oppression, or that entire want of care which raises the presumption of conscious indifferent to consequences, thereby justifying an award of punitive damages.

WHEREFORE, Plaintiff respectfully requests that in addition to actual damages,

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she be awarded an additional amount as and for punitive damages in her favor and against Defendant, and each of them, in an amount which will serve to punish Defendant and deter Defendant and others from like conduct in the future.

# JURY DEMAND

Plaintiff hereby demands a trial by jury.

Respectfully submitted,

/s/ Derek H. Potts

Derek H. Potts MO# 44882 Timothy L. Sifers MO# 49386 Brandon L. Corl MO# 58725 THE POTTS LAW FIRM, LLP 908 Broadway, 3<sup>rd</sup> Floor Kansas City, Missouri 64105 Phone: (816) 931-2230 Fax: (816) 931-7030 Attorneys for the Plaintiff 09-5002.6er&g1.4-Dool:01234493-BMFFiledc1.0/08/11543En2terFeidetd07/08/05153:05551 (Efx2t8bit 3 Pg 34 of 61

# UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

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## IN RE: GENERAL MOTORS LLC IGNITION SWITCH LITIGATION

14-MD-2543 (JMF)

This Document Relates to:

Case No. 1:14-cv-05881-JMF

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# BRENDA DUNCAN PLAINTIFF,

V.

# GENERAL MOTORS, LLC, DEFENDANT

-----Х

## AMENDED COMPLAINT

COMES NOW Plaintiff BRENDA DUNCAN and for her claims and causes of action against Defendant GENERAL MOTORS LLC, states:

# PARTIES, JURISDICTION, AND VENUE

1. Plaintiff BRENDA DUNCAN is now and was at all times relevant a citizen and resident of the state of Missouri.

2. Defendant GENERAL MOTORS LLC ("New GM" or "Defendant") is not a citizen of Missouri. General Motors LLC is (and was at the time this lawsuit was filed) a Delaware limited liability company with its principal place of business in Michigan. General Motors LLC's sole member and 100 percent owner is General Motors Holdings LLC, which is also a Delaware limited liability company with its principal place of business in Michigan. General Motors Holdings LLC's sole member and 100 percent owner is principal place of business in Michigan. General Motors Holdings LLC's sole member and 100 percent owner is Defendant General Motors Company, which is (and was at the time this lawsuit was filed)

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a publicly traded Delaware corporation with its principal place of business in Michigan, making General Motors LLC a citizen and resident of Delaware and Michigan. General Motors LLC may be served with process by serving its registered agent for service, CSC of St. Louis County, Inc., 130 South Bemiston Avenue, Suite 303 Clayton, MO 63105.

3. With respect to the facts alleged and claims asserted in this Complaint, New GM is the corporate successor of General Motors Corporation ("Old GM"), which filed a voluntary Petition for relief under Chapter 11 of the U.S. Bankruptcy Code on June 1, 2009. (General Motors Corporation and General Motors LLC will be collectively referred to as "GM"). On or about July 10, 2009, New GM acquired substantially all of the assets and assumed certain liabilities of Old GM by way of a Section 363 sale under Chapter 11 of the Bankruptcy Code. Plaintiff's causes of action in this lawsuit are brought against New GM, and Plaintiff does not assert any causes of action against Old GM. Although this Complaint references facts against Old GM, it is for background and reference purposes only. At all times relevant to the claims in this lawsuit, GM has been in the business of developing, manufacturing, and marketing cars throughout the State of Missouri. New GM has a network of authorized retailers that sells New GM vehicles and parts throughout Missouri and the United States.

4. Complete diversity exists between Plaintiff and Defendant. Plaintiff is seeking damages in excess of \$75,000.00, exclusive of interest and costs. Subject matter jurisdiction is proper pursuant to 28 U.S.C. § 1332.

5. Defendant is subject to personal jurisdiction in this U.S. District Court for Western District of Missouri as Defendant systematically and continually conducts

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business in this District and conducts business throughout the United States.

6. Pursuant to 28 U.S.C. § 1391(a), venue is proper in the Western District of Missouri as it is a judicial district in which Defendant resides for purposes of venue and is a district in which a substantial part of the events or omissions giving rise to the claim occurred.

#### **BACKGROUND FACTS**

7. Brenda Duncan owned a 2007 Chevrolet Impala ("Plaintiff's Vehicle" or "2007 Chevrolet Impala") (Vehicle Identification Number ("VIN"): 2G1WB55K279181591), which she purchased in 2008. Brenda Duncan purchased the 2007 Chevrolet Impala because of the vehicle's advertised quality, reliability, and safety features.

8. On February 15, 2014, Brenda Duncan was driving the 2007 Chevrolet Impala on Interstate 435 in Kansas City, Missouri in a reasonable and customary manner. As Plaintiff was travelling northbound, she suddenly lost the ability to steer or control Plaintiff's Vehicle. Plaintiff's Vehicle then left the roadway and struck the side of a bridge. Upon information and belief, Plaintiff's driver's side frontal airbag did not deploy.

9. As a result of the loss of control and subsequent collision, and failure of her airbag to deploy, Plaintiff sustained serious personal injuries and damages.

10. Unbeknownst to Plaintiff, her 2007 Chevrolet Impala had a serious and unreasonably dangerous defect with the ignition switch. Specifically, the ignition switch had the ability to change from the "Run" position to the "Accessory" position while the vehicle was moving, thereby causing the engine to lose power with a resultant loss of power

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to the steering, brakes, air bags, and other essential safety functions of the car. This defective condition directly resulted in a loss of power exactly at the time and place where Plaintiff most needed these essential functions to avoid this collision and/or lessen the impact of the collision.

11. The problem with Plaintiff's vehicle was not unique. Plaintiff's vehicle was one of many vehicles subject to recent recall(s) relating to a large number of GM vehicles' ignition switches. A recall notice was issued by New GM for certain of its vehicles, including Brenda Duncan's 2007 Chevrolet Impala, approximately four months after her crash, on or about June 16, 2014. At or about that that time, New GM issued a notice to the National Highway Traffic Safety Administration ("NHTSA"), notifying it of a recall to include 2005-2009 Buick Lacrosses, 2006-2011 Buick Lucernes, 2000-2005 Cadillac Devilles, 2006-2011 Cadillac DTSs, 2006-2014 Chevrolet Impalas, and 2006-2007 Chevrolet Monte Carlos ("Subject Vehicles"), with the number of vehicles affected by the recall being 3,141,731.

12. As part of the recall made on or about June 16, 2014, New GM admitted that if the key ring is carrying added weight and the vehicle goes off road or experiences some other jarring event, it may unintentionally move the key away from the "Run" position.

13. As part of the recall made on or about June 16, 2014, New GM further admitted that if this occurred, engine power, power steering, and power braking will be affected, increasing the risk of a crash.

14. As part of the recall sent on or about June 16, 2014, New GM admitted that the timing of the key movement out of the "Run" position, relative to the activation of the

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sensing algorithm of the crash event, may result in the airbags not deploying, increasing the potential for occupant injury in certain kinds of crashes.

15. In addition, as early as 2005, GM knew that a key hole design modification that would require a piece price increase of \$0.50 per vehicle could prevent certain movements in the ignition switch of certain GM vehicles with the same or similar ignition switches.

16. GM began installing defective ignition switches beginning as early as 2000 in certain GM vehicle models. Upon information and belief, GM knew the ignition switches were defectively designed, but nonetheless continued to manufacture and sell defective ignition switches with the knowledge that they would be used in GM vehicles, including the Subject Vehicles.

17. Because of defects in their design, the ignition switches installed in the Subject Vehicles are, by their nature, loose and/or improperly positioned and are susceptible to failure during normal and expected conditions. The key sold with the 2007 Chevrolet Impala has a slot design which allows the key fob or chain to hang lower on the key and increases the chance of the key inadvertently moving from the "Run" to "Accessory" or "Off" position during ordinary driving maneuvers (the "Ignition Switch Defect"). When this ignition switch failure occurs, the motor engine and certain electrical components such as power-assisted steering and anti-lock brakes are turned off, thereby endangering the vehicle occupants and compromising the safety airbag system.

18. The Ignition Switch Defect can occur at any time during normal and proper operation of the Subject Vehicles, meaning the ignition can suddenly switch off while it is

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moving at 70 mph on the freeway, leaving the driver unable to control the vehicle, and vulnerable to a nonfunctioning safety airbag system.

19. The Ignition Switch Defect precludes drivers and owners of the Subject Vehicles, such as Plaintiff Brenda Duncan, from proper and safe use of their vehicles, reduces vehicle occupant protection, and endangers them and other vehicle occupants. However, no driver or owner of the Subject Vehicles, including Plaintiff Brenda Duncan, knew, or could reasonably have discovered, the Ignition Switch Defect, prior to it manifesting in a sudden and dangerous failure.

20. Upon information and belief, prior to the sale of the Subject Vehicles, GM knew of the Ignition Switch Defect through sources such as pre-release design, manufacturing, and field testing data; in-warranty repair data; early consumer complaints made directly to GM, collected by the National Highway Transportation Safety Administration's Office of Defect Investigation ("NHTSA ODI") and/or posted on public online vehicle owner forums; field testing done in response to those complaints; aggregate data from GM dealers; and accident data. Despite this knowledge, GM failed to disclose and actively concealed the defects in the ignition switch from Plaintiff Brenda Duncan and the public, and continued to market and advertise the Subject Vehicles as reliable and safe vehicles, which they are not.

21. As a result of GM's misconduct, Plaintiff Brenda Duncan was harmed and suffered actual damages and personal injuries, in that the Subject Vehicles are unsafe, unfit for their ordinary and intended use, and have manifested, or are at unreasonable risk of manifesting, the Ignition Switch Defect by way of a sudden and dangerous failure that puts

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them and others at serious risk of injury or death. Drivers and owners of the Subject Vehicles, including Plaintiff Brenda Duncan, did not receive the benefit of their bargain as purchasers and/or lessees, received vehicles that were of a lesser standard, grade, and quality than represented, and did not receive vehicles that met ordinary and reasonable consumer expectations. Drivers and owners of the Subject Vehicles, including Plaintiff Brenda Duncan, did not receive vehicles that would reliably operate with reasonable safety, and that would not place drivers and occupants in danger of encountering an ongoing and undisclosed risk of harm, which could have been avoided, as GM knew but did not disclose, through the use of non-defective ignition parts.

#### **COUNT I: STRICT LIABILITY – MANUFACTURING DEFECT**

22. Plaintiff hereby incorporates by reference each and every paragraph set forth in this Complaint as if fully copied and set forth at length herein.

23. Defendant designed, selected, inspected, tested, assembled, equipped, manufactured, marketed, distributed, and/or sold or otherwise placed into the stream of commerce the Subject Vehicles, including Plaintiff's 2007 Chevrolet Impala, and component parts thereof, including but not limited to, equipping them with an ignition switch with design, manufacturing, and/or marketing defects, more particularly set forth herein.

24. Defendant had a legal duty to design, inspect, test, manufacture, and assemble the Subject Vehicles, including the 2007 Chevrolet Impala, and the component parts so that they would be reasonably crashworthy and provide a reasonable degree of occupant safety in foreseeable collisions occurring in the highway environment of its

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expected use.

25. At all times relevant herein, the Subject Vehicles, including Plaintiff's 2007 Chevrolet Impala, and component parts thereof, including the ignition switch, were expected to reach, and did reach, consumers throughout the United States without substantial change in the condition in which they were sold.

26. It was foreseeable to Defendant that the Subject Vehicles would be sold to consumers throughout the United States, including the sale of the 2007 Chevrolet Impala to Plaintiff, and used in the manner for which they were intended by the Defendant.

27. At all times relevant herein, the Subject Vehicles were designed, developed, manufactured, tested, packaged, promoted, marketed, distributed, labeled, and/or sold by Defendant in a defective and unreasonably dangerous condition at the time they were placed in the stream of commerce in ways which include, but are not limited to, one or more of the following:

- (a) the Subject Vehicles, including their component parts, which includes their ignition switches, contained manufacturing defects;
- (b) the ignition switches in the Subject Vehicles were inadequately manufactured; and/or
- (c) the Subject Vehicles, including their component parts, which includes their ignition switches, were not made in accordance with Defendant's specifications or performance standards.

28. The manufacturing defects of the Subject Vehicles, including the 2007 Chevrolet Impala, occurred while the product was in the possession and control of the

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Defendant.

29. The manufacturing defects of the Subject Vehicles, including the 2007 Chevrolet Impala, existed before they left the control of Defendant.

30. It was foreseeable to Defendant that the Subject Vehicles and their component parts, including the ignition switch, which were manufactured, designed, inspected, tested, assembled, equipped, distributed, and/or sold or otherwise placed into the stream of commerce would fail and cause users and consumers like Plaintiff Brenda Duncan to be unable to control said vehicles and be involved in a collision.

31. As a direct and proximate result of the foregoing acts and omissions, Plaintiff suffered severe and permanent physical injuries. She has endured, and will continue to endure, substantial pain and suffering. She has incurred significant expenses for medical care and treatment, and will continue to incur such expenses in the future. Plaintiff has lost past earnings and has suffered a loss of earning capacity. Plaintiff has suffered and will continue to suffer economic loss, and has otherwise been physically, emotionally and economically injured. Her injuries and damages are permanent and will continue into the future. Plaintiff seeks actual and punitive damages from Defendant as alleged herein.

WHEREFORE, Plaintiff prays for judgment in Count I against Defendant for damages in excess of Seventy-Five Thousand Dollars (\$75,000.00), which is fair and reasonable, costs herein expended, punitive damages to punish and deter any such conduct in the future and such other relief as the Court deems just and proper under the circumstances.

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#### **COUNT II: STRICT LIABILITY - DESIGN DEFECT**

32. Plaintiff hereby incorporates by reference each and every paragraph set forth in this Complaint as if fully copied and set forth at length herein.

33. Defendant designed, selected, inspected, tested, assembled, equipped, manufactured, marketed, distributed, and/or sold or otherwise placed into the stream of commerce the Subject Vehicles, including Plaintiff's 2007 Chevrolet Impala, and component parts thereof, including but not limited to, equipping them with an ignition switch with design, manufacturing, and/or marketing defects, more particularly set forth herein.

34. Defendant had a legal duty to design, inspect, test, manufacture, and assemble the Subject Vehicles, including the 2007 Chevrolet Impala, and the component parts so that they would be reasonably crashworthy and provide a reasonable degree of occupant safety in foreseeable collisions occurring in the highway environment of its expected use.

35. At all times relevant herein, the Subject Vehicles, including Plaintiff's 2007 Chevrolet Impala, and component parts thereof, including the ignition switch, were expected to reach, and did reach, consumers throughout the United States without substantial change in the condition in which they were sold.

36. It was foreseeable to Defendant that the Subject Vehicles would be sold to consumers throughout the United States, including the sale of the 2007 Chevrolet Impala to Plaintiff, and used in the manner for which they were intended by the Defendant.

37. At all times relevant herein, the Subject Vehicles were designed, developed, manufactured, tested, packaged, promoted, marketed, distributed, labeled, and/or sold by Defendant in a defective and unreasonably dangerous condition at the time they were placed

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in the stream of commerce in ways which include, but are not limited to, one or more of the following:

- (a) having an ignition switch that is inadequately designed and located, which may result in the key moving from the "Run" to "Accessory" or "Off" position during normal driving maneuvers;
- (b) having an ignition switch that allows the 2007 Chevrolet Impala to stall or lose engine power, and steering and/or full braking ability while driving;
- (c) having frontal airbags that do not deploy when the key is in the accessory/off position; and
- (d) failing to adequately warn Plaintiff Brenda Duncan, other consumers, or the public in general, about the unsafe and defective condition and design of the vehicle known to GM, so that individuals like Plaintiff Brenda Duncan could make informed and prudent decisions regarding the purchase and use of such vehicles.

38. When placed in the stream of commerce, the Subject Vehicles were defective in design, in that they were not reasonably fit, suitable, or safe for their intended purpose and/or their foreseeable risks exceed the benefits associated with their design, making the use of the Subject Vehicles more dangerous than an ordinary consumer would expect, and more dangerous than risks associated with alternatives.

39. In addition, at the time the Subject Vehicles left the control of the Defendant, there were practical and feasible alternative designs of the Subject Vehicles and their component parts, including the ignition switches that would have prevented and/or

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significantly reduced the risk of Plaintiff's injuries without impairing the reasonably anticipated or intended function of the Subject Vehicles. These safer alternative designs were economically and technologically feasible, and would have prevented or significantly reduced the risk of Plaintiff's injuries without substantially impairing the Subject Vehicle's utility.

40. As a direct and proximate result of the foregoing acts and omissions, Plaintiff suffered severe and permanent physical injuries. She has endured, and will continue to endure, substantial pain and suffering. She has incurred significant expenses for medical care and treatment, and will continue to incur such expenses in the future. Plaintiff has lost past earnings and has suffered a loss of earning capacity. Plaintiff has suffered and will continue to suffer economic loss, and has otherwise been physically, emotionally and economically injured. Her injuries and damages are permanent and will continue into the future. Plaintiff seeks actual and punitive damages from Defendant as alleged herein.

WHEREFORE, Plaintiff prays for judgment in Count II against Defendant for damages in excess of Seventy-Five Thousand Dollars (\$75,000.00), which is fair and reasonable, costs herein expended, punitive damages to punish and deter any such conduct in the future and such other relief as the Court deems just and proper under the circumstances.

## **COUNT III: STRICT LIABILITY - FAILURE TO WARN**

41. Plaintiff hereby incorporates by reference each and every paragraph set forth in this Complaint as if fully copied and set forth at length herein.

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42. Defendant designed, selected, inspected, tested, assembled, equipped, manufactured, marketed, distributed, and/or sold or otherwise placed into the stream of commerce the Subject Vehicles, including Plaintiff's 2007 Chevrolet Impala, and component parts thereof, including but not limited to, equipping them with an ignition switch with design, manufacturing, and/or marketing defects, more particularly set forth herein.

43. Defendant had a legal duty to design, inspect, test, manufacture, and assemble the Subject Vehicles, including the 2007 Chevrolet Impala, and the component parts so that they would be reasonably crashworthy and provide a reasonable degree of occupant safety in foreseeable collisions occurring in the highway environment of its expected use.

44. At all times relevant herein, the Subject Vehicles were expected to reach, and in fact did reach, consumers throughout the United States without substantial change in the condition in which they were sold.

45. At all times relevant herein, the Subject Vehicles, including Plaintiff's 2007 Chevrolet Impala and component parts thereof, including the ignition switch system, were expected to reach, and did reach, consumers throughout the United States without substantial change in the condition in which they were sold.

46. It was foreseeable to Defendant that the Subject Vehicles would be sold to consumers throughout the United States, including the sale of the 2007 Chevrolet Impala to Plaintiff, and used in the manner for which they were intended by the Defendant.

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47. At all times relevant herein, the Subject Vehicles, including Plaintiff's 2007 Chevrolet Impala, were defective and unreasonably dangerous when they left the possession of Defendant in that they contained warnings insufficient to alert consumers, including Plaintiff herein, of the dangerous risks associated with the defective condition of the Subject Vehicles, notwithstanding Defendant's knowledge of the dangerous risks, including but not limited to the following:

- (a) having an ignition switch that is inadequately designed, constructed, and/or located, which may result in the key moving from the "Run" to "Accessory" or "Off" position during normal driving maneuvers;
- (b) having an ignition switch that allows the 2007 Chevrolet Impala to stall or lose engine power, and steering and/or full braking ability while driving;
- (c) having frontal airbags that do not deploy when the key is in the accessory/off position; and
- (d) failing to adequately warn Plaintiff Brenda Duncan, other consumers, or the public in general, about the unsafe and defective condition and design of the Subject Vehicles known to GM, so that individuals like Plaintiff Brenda Duncan could make informed and prudent decisions regarding the purchase and use of such vehicles.

48. Plaintiff could not, by the exercise of reasonable care, have discovered the defects herein mentioned and perceived their danger.

49. Defendant knew or should have known of the risks of the defective condition of the Subject Vehicles and their component parts.

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50. Additionally, Defendant, as manufacturer, designer, distributor, and/or seller of the Subject Vehicles is held to the level of knowledge of an expert in the field.

51. Plaintiff reasonably relied upon the skill, superior knowledge and/or judgment of Defendant.

52. Defendant had a duty to warn Plaintiff and consumers of the dangers associated with the Subject Vehicles and their component parts, including the ignition switch.

53. Despite Defendant's knowledge of the risks of the defective condition of the Subject Vehicles and their component parts, Defendant failed to adequately warn Plaintiff and consumers of those risks.

54. Had Plaintiff received adequate warnings regarding the unsafe and defective condition of the Subject Vehicles and their risks, she would not have purchased and/or used such vehicle.

55. As a direct and proximate result of the foregoing acts and omissions, Plaintiff suffered severe and permanent physical injuries. She has endured, and will continue to endure, substantial pain and suffering. She has incurred significant expenses for medical care and treatment, and will continue to incur such expenses in the future. Plaintiff has lost past earnings and has suffered a loss of earning capacity. Plaintiff has suffered and will continue to suffer economic loss, and has otherwise been physically, emotionally and economically injured. Her injuries and damages are permanent and will continue into the future. Plaintiff seeks actual and punitive damages from Defendant as alleged herein.

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WHEREFORE, Plaintiff prays for judgment in Count III against Defendant for damages in excess of Seventy-Five Thousand Dollars (\$75,000.00), which is fair and reasonable, costs herein expended, punitive damages to punish and deter any such conduct in the future and such other relief as the Court deems just and proper under the circumstances.

## **COUNT IV: NEGLIGENCE**

56. Plaintiff hereby incorporates by reference each and every paragraph set forth in this Complaint as if fully copied and set forth at length herein.

57. Defendant was negligent in designing, selecting, inspecting, testing, assembling, equipping, manufacturing, marketing, distributing, and/or selling or otherwise placing into the stream of commerce the ignition switch which was selected and installed in the Subject Vehicles, including the 2007 Chevrolet Impala.

58. Defendant had a duty to individuals, including Plaintiff, to use reasonable care in designing, selecting, inspecting, testing, assembling, equipping, manufacturing, marketing, distributing, and/or selling or otherwise placing into the stream of commerce the ignition switch which was selected and installed in the Subject Vehicles, including the 2007 Chevrolet Impala.

59. Defendant was negligent in failing to use reasonable care as described here in designing, selecting, inspecting, testing, assembling, equipping, manufacturing, marketing, distributing, and/or selling or otherwise placing into the stream of commerce the ignition switch which was selected and installed in the Subject Vehicles, including the 2007 Chevrolet Impala. Defendant breached its aforementioned duty by:

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- (a) Failing to design the ignition switch so as to avoid an unreasonable risk of harm to drivers, users, and occupants, including Plaintiff, of the Subject Vehicles, including the 2007 Chevrolet Impala;
- (b) Failing to manufacture the ignition switch so as to avoid an unreasonable risk of harm to drivers, users, and occupants of the Subject Vehicles, including the 2007 Chevrolet Impala, including Plaintiff;
- (c) Failing to use reasonable care in the testing of the ignition switch so as to avoid an unreasonable risk of harm to drivers, users, and occupants of the Subject Vehicles, including the 2007 Chevrolet Impala, including Plaintiff;
- (d) Failing to use reasonable care in inspecting the ignition switch so as to avoid an unreasonable risk of harm to drivers, users, and occupants of the Subject Vehicles, including the 2007 Chevrolet Impala, including Plaintiff; and
- (e) Otherwise negligently or carelessly designing, selecting, inspecting, testing, assembling, equipping, manufacturing, marketing, distributing, and/or selling or otherwise placing into the stream of commerce the ignition switch which was selected and installed in the Subject Vehicles, including the 2007 Chevrolet Impala.

60. Defendant also negligently failed to warn or instruct Plaintiff and/or others that the ignition switch which was selected and installed in the Subject Vehicles, including the 2007 Chevrolet Impala, had an unsafe and defective condition and design which was known to Defendant.

61. As a direct and proximate result of the foregoing acts and omissions, Plaintiff

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suffered severe and permanent physical injuries. She has endured, and will continue to endure, substantial pain and suffering. She has incurred significant expenses for medical care and treatment, and will continue to incur such expenses in the future. Plaintiff has lost past earnings and has suffered a loss of earning capacity. Plaintiff has suffered and will continue to suffer economic loss, and has otherwise been physically, emotionally and economically injured. Her injuries and damages are permanent and will continue into the future. Plaintiff seeks actual and punitive damages from Defendant as alleged herein.

WHEREFORE, Plaintiff prays for judgment in Count IV against Defendant for damages in excess of Seventy-Five Thousand Dollars (\$75,000.00), which is fair and reasonable, costs herein expended, punitive damages to punish and deter any such conduct in the future and such other relief as the Court deems just and proper under the circumstances.

#### **COUNT V: BREACH OF EXPRESS WARRANTY**

62. Plaintiff hereby incorporates by reference each and every paragraph set forth in this Complaint as if fully copied and set forth at length herein.

63. Defendant made assurances as described herein to the general public that the Subject Vehicles, including the 2007 Chevrolet Impala, were safe and reasonably fit for their intended purposes.

64. Plaintiff chose to purchase the 2007 Chevrolet Impala described herein based upon Defendant's warranties and representations as described herein regarding the safety and fitness of the 2007 Chevrolet Impala.

65. Plaintiff reasonably relied upon Defendant's express warranties and

#### 09-500226-120j4-120dc0234933B/F Filteroc110/08/115/32E20teFelde110/08/01/5513105c5519 Exbibit 3 Pg 52 of 61

guarantees that the 2007 Chevrolet Impala was safe, merchantable, and reasonably fit for its intended purposes.

66. Defendant breached these express warranties because the ignition switch in the 2007 Chevrolet Impala was unreasonably dangerous and defective as described herein and not as Defendant had represented.

67. Defendant's breach of its express warranties resulted in Plaintiff's use of an unreasonably dangerous and defective product, placing said Plaintiff's health and safety in jeopardy.

68. As a direct and proximate result of the foregoing acts and omissions, Plaintiff suffered severe and permanent physical injuries. She has endured, and will continue to endure, substantial pain and suffering. She has incurred significant expenses for medical care and treatment, and will continue to incur such expenses in the future. Plaintiff has lost past earnings and has suffered a loss of earning capacity. Plaintiff has suffered and will continue to suffer economic loss, and has otherwise been physically, emotionally and economically injured. Her injuries and damages are permanent and will continue into the future. Plaintiff seeks actual and punitive damages from Defendant as alleged herein.

WHEREFORE, Plaintiff prays for judgment in Count V against Defendant for damages in excess of Seventy-Five Thousand Dollars (\$75,000.00), which is fair and reasonable, costs herein expended, punitive damages to punish and deter any such conduct in the future and such other relief as the Court deems just and proper under the circumstances.

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#### **COUNT VI: BREACH OF IMPLIED WARRANTY**

69. Plaintiff hereby incorporates by reference each and every paragraph set forth in this Complaint as if fully copied and set forth at length herein.

70. Defendant impliedly warranted that the Subject Vehicles, including the 2007 Chevrolet Impala, were merchantable and were fit for the ordinary purposes for which they were intended.

71. When Plaintiff was driving the 2007 Chevrolet Impala, it was being used for the ordinary purpose for which it was intended.

72. Plaintiff relied upon Defendant's implied warranties of merchantability in purchasing and operating the 2007 Chevrolet Impala.

73. Defendant breached these implied warranties of merchantability because the 2007 Chevrolet Impala was neither merchantable nor suited for its intended use as warranted.

74. Defendant's breach of its implied warranties resulted in Plaintiff's use of an unreasonably dangerous and defective product, placing said Plaintiff's health and safety in jeopardy.

75. As a direct and proximate result of the foregoing acts and omissions, Plaintiff suffered severe and permanent physical injuries. She has endured, and will continue to endure, substantial pain and suffering. She has incurred significant expenses for medical care and treatment, and will continue to incur such expenses in the future. Plaintiff has lost past earnings and has suffered a loss of earning capacity. Plaintiff has suffered and will continue to suffer economic loss, and has otherwise been physically, emotionally and

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economically injured. Her injuries and damages are permanent and will continue into the future. Plaintiff seeks actual and punitive damages from Defendant as alleged herein.

WHEREFORE, Plaintiff prays for judgment in Count VI against Defendant for damages in excess of Seventy-Five Thousand Dollars (\$75,000.00), which is fair and reasonable, costs herein expended, punitive damages to punish and deter any such conduct in the future and such other relief as the Court deems just and proper under the circumstances.

#### COUNT VII: FRAUDULENT MISREPRESENTATION

76. Plaintiff hereby incorporates by reference each and every paragraph set forth in this Complaint as if fully copied and set forth at length herein.

77. Defendant falsely and fraudulently represented to consumers, and to Plaintiff, that the Subject Vehicles were safe and fit for their intended purposes and use.

78. The representations made by Defendant were, in fact, false.

79. When said representations were made by Defendant, it knew those representations to be false and they willfully, wantonly, and recklessly disregarded whether the representations were true.

80. These representations were made by Defendant with the intent of defrauding and deceiving Plaintiff and the public in general, and were made with the intent of inducing the public in general to purchase the Subject Vehicles, which evinced a callous, reckless, willful, depraved indifference to the health, safety and welfare of the Plaintiff and the general public.

81. At the time the aforesaid representations were made by Defendant and, at the

#### 09-500226-120j4-120dc02349338/F Filead: 1.0/08/115/32E2teFedd1.0/08/11/55137255522 E5x28bit 3 Pg 55 of 61

time Plaintiff purchased the 2007 Chevrolet Impala, the Plaintiff was unaware of the falsity of said representations and reasonably believed them to be true.

82. In reliance upon said representations, Plaintiff was induced to and did purchase and use the 2007 Chevrolet Impala.

83. Defendant knew and was aware or should have been aware that the Subject Vehicles, including the 2007 Chevrolet Impala, were defective in nature in that they had the Ignition Switch Defect and/or that it lacked adequate and/or sufficient warnings.

84. Defendant knew or should have known that the Subject Vehicles had the potential to, could, and would cause severe and grievous injury to the users of said products, and that they were inherently dangerous in a manner that exceeded any purported, inaccurate, and/or down-played warnings.

85. Defendant brought the Subject Vehicles to the market, and acted fraudulently, wantonly, and maliciously to the detriment of the Plaintiff.

86. As a direct and proximate result of the foregoing acts and omissions, Plaintiff suffered severe and permanent physical injuries. She has endured, and will continue to endure, substantial pain and suffering. She has incurred significant expenses for medical care and treatment, and will continue to incur such expenses in the future. Plaintiff has lost past earnings and has suffered a loss of earning capacity. Plaintiff has suffered and will continue to suffer economic loss, and has otherwise been physically, emotionally and economically injured. Her injuries and damages are permanent and will continue into the future. Plaintiff seeks actual and punitive damages from Defendant as alleged herein.

WHEREFORE, Plaintiff prays for judgment in Count VII against Defendant for

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damages in excess of Seventy-Five Thousand Dollars (\$75,000.00), which is fair and reasonable, costs herein expended, punitive damages to punish and deter any such conduct in the future and such other relief as the Court deems just and proper under the circumstances.

#### **COUNT VIII: FRAUDULENT CONCEALMENT**

87. Plaintiff hereby incorporates by reference each and every paragraph set forth in this Complaint as if fully copied and set forth at length herein.

88. At all times during the course of dealing between Defendant and Plaintiff and the general public, Defendant misrepresented the safety of the Subject Vehicles, including the 2007 Chevrolet Impala, for their intended use.

89. Defendant knew or was reckless in not knowing that its representations were, in fact, false.

90. In representations to Plaintiff and the general public, Defendant fraudulently concealed and intentionally omitted material information, including but not limited to, the fact that:

- (a) the Subject Vehicles were manufactured and/or designed negligently, defectively, and/or improperly in that the ignition switches installed in the Subject Vehicles are, by their nature, loose and/or improperly positioned and are susceptible to failure during normal and expected conditions;
- (b) the keys sold with the Subject Vehicles have a slot design which allows the key fob or chain to hang lower on the key and increases the chance of the key inadvertently moving from the "Run" to "Accessory" or "Off" position
#### 09-500226-120j4-120dc02349338/F Filead: 1.0/08/115/32E2teFedd1.0/08/11/55137055524 Ex28bit 3 Pg 57 of 61

during ordinary driving maneuvers (the "Ignition Switch Defect"); and

(c) when this ignition switch failure occurs, the motor engine and certain electrical components such as power-assisted steering and anti-lock brakes are turned off, thereby endangering the vehicle occupants and compromising the safety airbag system.

91. Defendant was under a duty to disclose to Plaintiff and consumers the defective nature of the Subject Vehicles, including, but not limited to, the Ignition Switch Defect.

92. Defendant had sole access to material facts concerning the defective nature of the Subject Vehicles and its propensity to cause serious and dangerous side effects, and hence cause damage to persons who used the Subject Vehicles, including Plaintiff in particular.

93. Defendant's concealment and omissions of material facts concerning, inter alia, the safety of the Subject Vehicles was made purposefully, willfully, wantonly, and/or recklessly, to mislead Plaintiff and consumers into reliance on the use of the Subject Vehicles, and to cause them to purchase and/or use the product.

94. Defendant knew that consumers, including Plaintiff, had no way to determine the truth behind Defendant's concealment and omissions, as set forth herein.

95. Plaintiff reasonably relied on facts revealed which negligently, fraudulently, and/or purposefully did not include facts that were concealed and/or omitted by Defendant.

96. As a direct and proximate result of the foregoing acts and omissions, Plaintiff suffered severe and permanent physical injuries. She has endured, and will continue to

#### 09-500226-120j4-120dc02349338/F Filead: 10/08/115/32E2teFedd10/08/11/5513725525 Ex28bit 3 Pg 58 of 61

endure, substantial pain and suffering. She has incurred significant expenses for medical care and treatment, and will continue to incur such expenses in the future. Plaintiff has lost past earnings and has suffered a loss of earning capacity. Plaintiff has suffered and will continue to suffer economic loss, and has otherwise been physically, emotionally and economically injured. Her injuries and damages are permanent and will continue into the future. Plaintiff seeks actual and punitive damages from Defendant as alleged herein.

WHEREFORE, Plaintiff prays for judgment in Count VIII against Defendant for damages in excess of Seventy-Five Thousand Dollars (\$75,000.00), which is fair and reasonable, costs herein expended, punitive damages to punish and deter any such conduct in the future and such other relief as the Court deems just and proper under the circumstances.

## **COUNT IX: NEGLIGENT MISREPRESENTATION**

97. Plaintiff hereby incorporates by reference each and every paragraph set forth in this Complaint as if fully copied and set forth at length herein.

98. Defendant had a duty to represent and did represent to consumers, and to Plaintiff, that the Subject Vehicles, including the 2007 Chevrolet Impala, were safe for their intended use.

99. The representations made by Defendant were, in fact, false.

100. Defendant failed to exercise ordinary care in the representation of the Subject Vehicles, while involved in its manufacture, sale, testing, quality assurance, quality control, and/or distribution of said products into interstate commerce in that Defendant negligently misrepresented the Subject Vehicles were safe for their intended use.

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101. Defendant breached its duty in misrepresenting the safety of the Subject Vehicles for their intended use to consumers and to the Plaintiff.

102. As a direct and proximate result of the foregoing acts and omissions, Plaintiff suffered severe and permanent physical injuries. She has endured, and will continue to endure, substantial pain and suffering. She has incurred significant expenses for medical care and treatment, and will continue to incur such expenses in the future. Plaintiff has lost past earnings and has suffered a loss of earning capacity. Plaintiff has suffered and will continue to suffer economic loss, and has otherwise been physically, emotionally and economically injured. Her injuries and damages are permanent and will continue into the future. Plaintiff seeks actual and punitive damages from Defendant as alleged herein.

WHEREFORE, Plaintiff prays for judgment in Count IX against Defendant for damages in excess of Seventy-Five Thousand Dollars (\$75,000.00), which is fair and reasonable, costs herein expended, punitive damages to punish and deter any such conduct in the future and such other relief as the Court deems just and proper under the circumstances.

#### **COUNT X: PUNITIVE DAMAGES**

103. Plaintiff hereby incorporates by reference each and every paragraph set forth in this Complaint as if fully copied and set forth at length herein.

104. Defendant sold the Subject Vehicles, including the 2007 Chevrolet Impala, to consumers without doing adequate testing to ensure that the Subject Vehicles were reasonably safe for their use and intended purposes.

105. Defendant sold the 2007 Chevrolet Impala in spite of its knowledge that the

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ignition switches can unexpectedly and suddenly move from the "On" or "Run" position while the vehicle is in operation to the "Off" or "Accessory" position, thereby causing severe and debilitating injuries suffered by Plaintiff and numerous other individuals.

106. Defendant ignored reports of consumers, which began as early as 2004, regarding the ignition switch of certain GM vehicles with the same or similar ignition switches throughout the United States and elsewhere of the products' failures to perform as intended, which led to the severe and debilitating injuries suffered by Plaintiff and numerous other individuals.

107. Defendant knew of the Subject Vehicles' defective and unreasonably dangerous nature, but continued to manufacture, market, distribute, and sell the products so as to maximize sales and profits at the expense of the health and safety of the public, including Plaintiff.

108. Defendant, through its conduct in designing, testing, manufacturing, assembling, marketing, selling, and failing to adequately repair the 2007 Chevrolet Impala purchased by Plaintiff, demonstrated wilful misconduct, malice, fraud, wantonness, oppression, or that entire want of care which raises the presumption of conscious indifferent to consequences, thereby justifying an award of punitive damages.

WHEREFORE, Plaintiff respectfully requests that in addition to actual damages, she be awarded an additional amount as and for punitive damages in her favor and against Defendant, and each of them, in an amount which will serve to punish Defendant and deter Defendant and others from like conduct in the future.

# JURY DEMAND

Plaintiff hereby demands a trial by jury.

Respectfully submitted,

Dated: September 30, 2015

# THE POTTS LAW FIRM, LLP

By: /s/ Eric G. Jensen\_

Eric G. JensenMO# 43094Derek H. PottsNY #44882The Potts Law Firm, LLP1901 W. 47<sup>th</sup> Place, Suite 210Westwood, KS 66205(816) 931-2230 (telephone)(816) 817-0478 (facsimile)

# **ATTORNEYS FOR PLAINTIFFS**

09-50026-reg Doc 13493-4 Filed 10/08/15 Entered 10/08/15 13:05:55 Exhibit 4 Pg 1 of 55

# **EXHIBIT 4**

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# UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

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#### IN RE: GENERAL MOTORS LLC IGNITION SWITCH LITIGATION

14-MD-2543 (JMF)

This Document Relates to:

Case No. <u>1:15-cv-04088-JMF</u>

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LATANYA BRADFORD, ET AL PLAINTIFFS, V.

GENERAL MOTORS, LLC, DEFENDANT

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# **MOTION FOR LEAVE TO FILE FIRST AMENDED COMPLAINT**

COME NOW Plaintiffs, by counsel, and hereby move the Court for leave to file First Amended Complaint in order to comply with rulings of the Bankruptcy Court. As grounds for this Motion, Plaintiffs state as follows:

- 1. Plaintiffs' original Complaint, included claims for damages potentially related to prebankruptcy conduct of "Old GM," among other claims.
- 2. On June 1, 2015, and as amended by a September 3, 2015 scheduling order, the United States Bankruptcy Court for the Southern District of New York has determined that certain claims, related to vehicles manufactured by Motors Liquidation Company (Old GM), cannot be maintained against General Motors LLC (New GM). See, In re: MOTORS LIQUIDATION COMPANY, et al., f/k/a General Motors Corp., et al., Case No. 09-50026 (REG)
- 3. On September 24, 2015, this Court entered Order No. 81 to streamline the amendment process. In accordance with this order, Plaintiffs have attached hereto a redline version of the original complaint as Exhibit A and a Proposed Amended Petition as Exhibit B.

WHEREFORE, Plaintiffs respectfully request that this Court enter an Order directing the filing of tendered Proposed Amended Petition.

Dated: September 30, 2015

Respectfully submitted,

# THE POTTS LAW FIRM, LLP

By: /s/ Eric G. Jensen\_

 Eric G. Jensen
 MO# 43094

 Derek H. Potts
 NY #44882

 The Potts Law Firm, LLP

 1901 W. 47<sup>th</sup> Place, Suite 210

 Westwood, KS 66205

 (816) 931-2230 (telephone)

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# **ATTORNEYS FOR PLAINTIFFS**

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UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK	X	
IN RE: GENERAL MOTORS LLC IGNITION SWITCH	H LITIGATION	14-MD-2543 (JMF)
This Document Relates to:	X	Case No.
LATANYA BRADFORD, ET AL	Complaint	

PLAINTIFFS,

Jury Trial Demanded

V.

GENERAL MOTORS, LLC, DEFENDANT

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**ORIGINAL COMPLAINT** 

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COME NOW Plaintiffs, through undersigned counsel, and for cause of action respectfully shows as follows:

# I. PRELIMINARY STATEMENT

1. Plaintiffs were involved in accidents, and received injuries, in GM vehicles that have been recalled because of defective ignition switches. Each incident, explained below, was proximately caused by the failure of each Plaintiff's ignition switch and/or their injuries were exacerbated because the defective ignition switch prevented their airbag from deploying. All Plaintiffs were damaged and received personal injuries as a result of the defective ignition switch in their GM vehicles.

2. Plaintiffs' causes of action are brought against GENERAL MOTORS LLC ("New GM"). Plaintiffs do not assert any causes of action against General Motors Corporation ("Old GM"), although, in some cases, Old GM manufactured Plaintiffs' vehicles. The incidents at issue in this case occurred after the Old GM bankruptcy, which is discussed briefly below. The subject

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vehicles have been recalled by General Motors LLC, and New GM is strictly liable for the incident.

3. While at times this Complaint references acts and omissions by Old GM, these references are for background purposes only. Old GM arguably ceased to exist pursuant to the June 26, 2009 Amended and Restated Master Sale and Purchase Agreement wherein New GM acquired certain Old GM assets. That Amended and Restated Master Sale and Purchase Agreement was approved on July 10, 2009. In that Agreement, New GM expressly agreed to accept responsibility for product liability claims that arose from accidents or incidents occurring on or after July 10, 2009.

4. While New GM expressly accepted responsibility for accidents occurring on or after July 10, 2009, it also acquired knowledge of Old GM's activities generally, and the existence of the defective ignition switches in place in millions of vehicles specifically. New GM acquired personnel from Old GM, including but not limited to, top leadership personnel, executives, members of the Board of Directors, internal legal counsel, engineers and quality control personnel. Most importantly, New GM retained the engineer in charge of designing and approving the manufacturing specifications of the defective ignition switch. The employees retained by New GM carried with them the knowledge they gained at Old GM. New GM also acquired knowledge about the issues with the ignition switch, moving stalls and airbag non-deployment through the chief engineer, design and manufacturing documents, internal memorandum, and reports to the Board of Directors. New GM continued to service – and to receive complaints about – vehicles manufactured on Old GM's watch. While the change from Old GM to New GM arguably had some legal effect with regard to creditors who received notice of their rights, it had little practical effect relative to the problems with, and knowledge of, the ignition-switch defect.

5. New GM also acquired certain duties with regard to vehicles in production and on

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the road at the time of the Sale and Purchase Agreement – duties it breached egregiously – as has been well-publicized and for which it has been justifiably criticized. These duties included, but are not limited to, those arising under the National Traffic and Motor Vehicle Safety Act, 49 U.S.C. § 30101 *et. seq.* and the Transportation Recall Enhancement, Accountability and Documentation Act, 49 U.S.C. §§ 30101 – 30170. GM was fined \$35 Million by NTSHA for its delayed reporting of the ignition switch problem and violating federal safety laws. New GM's liability for damages is attributable to its own post-sale conduct and failure to timely remedy and/or recall vehicles it knew had deadly defects, even with regard to vehicles manufactured and sold prior to the Sale and Purchase Agreement. Plaintiffs' cases are a prime example of liability and gross negligence that is inarguably attributable solely to New GM, as is shown below.

#### II. INTRODUCTION

6. At the time of this filing, more than 12,000,000 GM vehicles have been recalled because of a defective ignition switch. Hundreds, if not thousands, of accidents are now known to have been caused by vehicles losing power and control because the defective ignition switch turned from "on" to "off" during normal and foreseeable operation. When the ignition switch fails, drivers are unable to use their steering and brakes in an effective manner. The resulting loss of control, or "moving stall," and subsequent accidents are exacerbated by the fact that the defective ignition switch also prevents life-saving airbags from deploying. So, in addition to causing accidents, the defective part makes the resulting damages even greater. As used in this Complaint, the "Subject Vehicles" refers to the GM vehicles manufactured, upon information and belief, on the Delta Platform, sold in the United States, equipped at the time of sale with ignition switches (the "Ignition Switches"), and sharing a common defective design, including the following makes and model years:

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# **Buick:**

- Lacrosse (2005 2009)
- Lucerne (2006 2011)

# Cadillac:

- CTS (2003 2014)
- Deville (2000 2005)
- DTS (2006 2011)
- SRX (2004 2006)

# **Chevrolet:**

- Camaro (2010 2014)
- Cobalt (2005 2010)
- HHR (2006 2011)
- Impala (2000 2014)
- Malibu (1997 2005)
- Monte Carlo (2000 2007)

# **Oldsmobile:**

- Alero (1999 2004)
- Intrigue (1998 2002)

# **Pontiac:**

- G5 (2007 2010)
- Grand Am (1999 2005)
- Grand Prix (2004 2008)
- Solstice (2006 2010)

## <u>Saturn:</u>

- Ion (2003 2007)
- Sky (2007 2010)

7. Each of the vehicles driven by Plaintiffs is included in the above-listed "Subject Vehicles" and contained the defective Ignition Switch that is the subject of the 2014 GM ignition switch recalls. Plaintiffs' vehicles were in substantially the same condition as when each left the manufacturer and contained a defective ignition switch that, upon information and belief was the proximate and producing cause of the incident at issue and Plaintiffs' resulting injuries and damages.

8. The Ignition Switch that was approved by GM and installed in the GM Subject Vehicles identified above, was one of several switches manufactured at GM's direction in 2001. Each type of switch was manufactured, tested and evaluated by GM engineers prior to production. The switch that was ultimately selected by GM (the "Delta Switch") had a shorter spring in the detent plunger that gave it a smoother, more "European" feel. Another switch was identical to the Delta Switch in every respect except that it used a longer spring in the detent plunger. The longer spring increased the torque required to engage and disengage the ignition switch – it made it hard to turn the key in both directions. The longer spring also sacrificed the smooth feel that was so

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important to GM.

9. According to the recently published "Report to the Board of Directors of General Motors Company Regarding Ignition Switch Recalls" authored by Anton R. Valukas ("The Valukas Report"), GM made a conscious decision, in the fall of 2002, to use the Delta Switch in the Subject Vehicles "that was so far below GM's own specifications that it failed to keep the car powered on in circumstances that drivers would encounter." GM knew of, and approved, the final version of the Ignition Switch that was installed in millions of cars despite knowing that the force required to disengage the ignition switch was far below minimum specifications.

10. According to documents obtained by a United States House of Representatives committee during an investigation into the Defective Ignition Switches, GM opened an engineering inquiry about the defective Ignition Switch in 2004 after customers complained that the Subject Vehicles could be turned off while driving. Also according to those documents, the Cobalt program engineer rejected a proposal to change the Ignition Switch claiming that the part was too expensive and the change would take too much time – after he experienced the same problem while performing a test drive of a Cobalt. The cost that the project engineer found intolerably high was less than one dollar per vehicle.

11. The switch was eventually redesigned in 2006, although using the same part number as the Delta Switch. Remarkably, the solution to the torqueing problem had been present since 2001; all that needed to be done was use the longer spring that had already been tested in the design phase. No other changes were made to the switch and, aside from affecting the "European" feel of the switch, the new switch with the longer spring functioned capably. The longer spring also brought the ignition switch into spec with regard to torque force.

12. The decision to use the same part number meant that already-produced Delta

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Switches continued to be installed in GM vehicles even after the attempted design correction was implemented. Apparently GM's chief design engineer "forgot" the change had been made to correct the torque issue. This additional blunder exacerbated the problem with the GM vehicles; GM had no idea what cars had the Delta Switch and which had the switch with the new, longer spring.

13. Although the switch's inability to keep the car powered on during normal and foreseeable use of the subject vehicles "were known within GM's engineering ranks at the earliest stages of its [the switch's] production," GM ignored the safety risks attendant to these "moving stalls." These risks include, but are not limited to, sudden failure of: power steering, anti-lock brakes, electronic stability control, lane departure warnings, navigation systems, and airbag deployment. These sudden system failures made the Subject Vehicles impossible to control and, once the inevitable accident occurred, left the driver and passengers without life-saving airbags.

14. Apparently, GM viewed the defective ignition switches as a convenience and comfort and looked everywhere but at the design to determine the problem. GM failed to focus on the safety problems with the ignition switch turning a vehicle off during normal operation and, inexplicably, failed to link the power failure with a failure to allow airbags to deploy in a resulting accident.

15. Also according to The Valukas Report:

"While GM heard over and over from various quarters – including customers, dealers, the press and their own employees – that the car's ignition switch led to moving stalls, group after group and committee after committee within GM that reviewed the issue failed to take action or acted too slowly. Although everyone had responsibility to fix the problem, nobody took responsibility. It was an example of what one top executive described as the "GM nod," when everyone nods in agreement to a proposed plan of action, but then leave the room and does nothing."

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16. Although GM was aware (after the Purchase and Sale Agreement with Old GM) of the problem with the switches, the link between the defect and airbag non-deployment, hundreds of accidents, and dozens of acknowledged deaths attributable to the defective ignition switches, GM did not even begin recalling the Subject Vehicles until 2014. Not even the solution is attributable to GM – it was a plaintiff attorney's investigator that finally disassembled the defective part and discovered the problem that GM had been incapable of discovering for a dozen years.

17. Instead of accepting the defects in the Subject Vehicles and Ignition Switches as real safety issues, GM publically denied that either was a problem. Instead of working to identify and correct the problem, GM, its directors, engineers and counsel devoted their efforts to minimizing the perceived frequency and pervasiveness of the problems. Instead of accepting responsibility for the incidents and tragedies they caused, Defendant focused on "defending the brand" and public relations. Defendant knew, or in the exercise of the most basic diligence, should have known that a defect that causes system-wide failure of key components presented a significant safety risk to the public.

18. As a result of GM's negligent, reckless, and malicious conduct, Plaintiffs' owned and operated a vehicle with a defective ignition switch, described by the designing engineer as "the switch from hell." The defective ignition switch is believed to be the cause of Plaintiffs' accidents and resulting catastrophic injuries, which are explained more fully below.

#### III. PARTIES

- 19. Plaintiff Latanya Bradford is a resident of the State of Louisiana.
- 20. Johnathan Anderson is a resident of the State of Louisiana.

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- 21. Plaintiff Stephanie Burrow is a resident of the State of Louisiana.
- 22. Plaintiff Kieara Cain is a resident of the State of Louisiana.
- 23. Plaintiff Gary Caldwell is a resident of the State of Kentucky.
- 24. Plaintiff Gary Caldwell, Individually and on behalf of IC, A Minor, resides in the State of Kentucky.
- 25. Plaintiff Joseph Claywell is a resident of the State of Kentucky.
- 26. Plaintiff Oswald Crespo is a resident of the State of Tennessee.
- 27. Plaintiff Freddie Davis is a resident of the State of Tennessee.
- 28. Plaintiff Michael Dixon is a resident of the State of Kentucky.
- 29. Plaintiff Clorine Edwards is a resident of the State of Tennessee.
- 30. Plaintiff Nicole Clay is a resident of the State of Kentucky.
- 31. Plaintiff Agnes Evans is a resident of the State of Tennessee.
- 32. Plaintiff Deanna Gooden is a resident of the State of Tenessee.
- 33. Plaintiff Shawnda Green is a resident of the State of Louisiana.
- 34. Plaintiff Ricky Jackson is a resident of the State of Kentucky.
- 35. Plaintiff Cory Johnson is a resident of the State of Tennessee.
- 36. Plaintiff Tiffany Leiby is a resident of the State of Louisiana.
- 37. Plaintiff Darius St. Amant is a resident of the State of Louisiana.
- 38. Plaintiff Rebecca Meadows is a resident of the State of Kentucky.
- 39. Plaintiff Rex Moore is a resident of the State of Tennessee.
- 40. Plaintiff Dominic Noyas-Jones is a resident of the State of Kentucky.
- 41. Plaintiff Brittany Taylor is a resident of the State of Tennessee.
- 42. Plaintiff Joyce Thompson is a resident of the State of Kentucky.

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- 43. Plaintiff Sandy Tupper is a resident of the State of Louisiana.
- 44. Plaintiff Melissa Whitehead is a resident of the State of Kentucky.
- 45. Plaintiff Anthony Flanery, as Administrator of the Estate of Rickie Flanery, is a resident of Kentucky.
- 46. Plaintiff Marilyn Wilson, on behalf of the estate of Shon Wilson, and Individually is a resident of Tennessee.

47. Defendant General Motors LLC ("New GM") is a Delaware limited liability company with its principal place of business at 300 Renaissance Center, MC: 482-C14-C66, Detroit, Michigan 48265 and may be served with process through service on its designated agent for service of process, CSC-Lawyers Incorporating Service, 80 State Street, Albany, New York, 12207-2543. At all times relevant herein, General Motors Corporation and its successor in interest GENERAL MOTORS LLC were engaged in the business of designing, manufacturing, constructing, assembling, marketing, warranting, distributing, selling, leasing, and servicing automobiles, including the Subject Vehicle, as described in this Complaint, and other motor vehicles and motor vehicle components throughout the United States. General Motors LLC has sufficient contacts with New York, such that under the New York Long Arm Statute it is subject to, and has submitted to, the jurisdiction of this Court.

## IV. JURISDICTION AND VENUE

48. Jurisdiction is proper in this Court pursuant to Case Management Order No. 8 in *In re General Motors LLC Ignition Switch Litigation*, [14-MC-2543, Dkt. No. 36]. By filing this Complaint in this district, however, Plaintiffs do not waive their rights to transfer this case to the district in which they reside at the conclusion of pretrial proceedings. Moreover, Plaintiffs do not waive their rights or consent with regard to choice of law by filing directly into the MDL Court

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pursuant to the Court's Case Management Order No. 8 and specifically rely on representations by GM to the Court that Plaintiffs will not be prejudiced by their decision to file directly into the MDL Court in the interest of convenience and judicial economy.

49. This Court also has jurisdiction over this matter under 28 U.S.C. § 1332(a) because the amount in controversy exceeds \$75,000 and Plaintiffs are each and every one a citizen of a different state than Defendant.

#### V. FACTUAL BACKGROUND

50. On August 20, 2010, Plaintiff Latanya Bradford was operating a 2008 Chevrolet Impala, Vehicle Identification Number 2G1WB58N889127655. While traveling northbound on Loyola Drive in Kenner, Jefferson Parish, Louisiana, Plaintiff's vehicle was struck in the front, passenger side by another vehicle making an illegal U-turn. Plaintiff attempted to correct her vehicle, however, the steering would not respond due to the defective ignition switch.

51. Plaintiff Latanya Bradford was injured in the incident. She suffered injuries to her neck and back that caused her to begin to have labor contractions and for which she was required to seek medical attention.

52. On July 28, 2014 Plaintiff Johnathan Anderson was operating a 2000 Chevrolet Impala. Plaintiff's vehicle was approaching a curve in Acadia Parish, Crowley, Louisiana, when the vehicle lost power and would not respond, causing Plaintiff to go head first into a ditch. Plaintiff's airbags did not deploy upon impact due to the defective ignition switch.

53. Plaintiff Johnathan Anderson was injured in the incident. He suffered injuries to his spine and back and for which he was required to seek medical attention.

54. On April 3, 2014, Plaintiff Stephanie Burrow was operating a 2012 Chevrolet Camaro, Vehicle Identification Number 2G1FC1E39C9135796. Plaintiff Stephanie Burrow was

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driving eastbound on Interstate 10 in Calcasieu Parish, Louisiana when her vehicle went right onto the shoulder of the road. Plaintiff's vehicle lost its power steering due to the defective ignition switch, causing her vehicle to collide with a fence, followed by a ditch, finally coming to a stop after colliding with a second fence.

55. Plaintiff Stephanie Burrow was injured in the incident. She suffered injuries to her right leg, ribs, and a broken back that caused her impairment and for which she was required to seek extended medical attention.

56. On August 22, 2013, Plaintiff Keiara Cain was operating a 2011 Chevrolet Impala, Vehicle Identification Number 2G1WG5EK5B1126335. Plaintiff was stopped at the intersection of LA 327 Spur and GSRI Avenue, in Baton Rouge, East Baton Rouge Parish, Louisiana, when her traffic signal changed to green; she proceeded forward into the intersection, as she was in the intersection she was impacted on the front right corner by another vehicle. The vehicle lost its power steering and brakes due to defective ignition switch, causing her to be unable to avoid the collision with another vehicle. Plaintiff's airbags did not deploy upon impact due to the defective ignition switch.

57. Plaintiff Keiara Cain was injured in the incident. She suffered a knee contusion and back sprain that caused her impairment and for which she was required to seek medical attention.

58. On October 6, 2010, Plaintiff Gary Caldwell was operating a 2004 Chevrolet Impala, Vehicle Identification Number 2G1WH52K249430454. While traveling North on Kentucky 359 in Henderson County, Smith Mills, Kentucky, the vehicle began to swerve. Plaintiff attempted to correct the vehicle, when Plaintiff's steering locked up due to the defective ignition switch. Plaintiff's vehicle lost its power steering, causing his vehicle to collide with a mailbox, followed by a ditch, finally coming to a stop and catching on fire.

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59. Plaintiff Gary Caldwell was injured in the incident. He suffered injuries to his ribs and back that caused his impairment and for which he was required to seek medical attention.

60. On October 6, 2010, Minor Plaintiff, IC, was a passenger in a 2004 Chevrolet Impala, Vehicle Identification Number 2G1WH52K249430454. While traveling North on Kentucky 359 in Smith Mills, Henderson County, Kentucky, the vehicle began to swerve. Plaintiff Gary Caldwell attempted to correct the vehicle, when Plaintiff's steering locked up due to the defective ignition switch. Plaintiff's vehicle lost its power steering, causing his vehicle to collide with a mailbox, followed by a ditch, finally coming to a stop and catching on fire.

61. Minor Plaintiff IC was injured in the incident. He suffered injuries to his head that caused impairment and for which he was required to seek medical attention.

62. On August 4, 2014, Plaintiff Joseph Claywell was operating a 2014 Chevrolet Camaro, Vehicle Identification Number 2G1FK1EJ8E9234968. While the driver was traveling on Peg Garmon Road, Cumberland County, Burkesville, Kentucky, Plaintiff was traveling around a curve the vehicle left the roadway and went up an embankment, Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle lost its power steering causing the vehicle to rollover and hit a guy wire for an electrical pole and ejecting the driver.

63. Plaintiff Joseph Claywell was injured in the incident. He suffered injuries to his lower back, right hand, left elbow, ribs, hip, and ankle that caused impairment. He was transported via life-flight to an area hospital medical attention.

64. On February 27, 2014, Plaintiff Oswald Crespo was operating a 2002 Cadillac DeVille, Vehicle Identification Number 1G6K054Y02U283914. Plaintiff was traveling eastbound on State Route 127 towards the intersection of US 41 and State Route 127 Coffee County, Tennessee, when a vehicle went off the roadway and stuck Plaintiff's vehicle. The vehicle lost its

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power steering and the Plaintiff's vehicle could not navigate away from an approaching vehicle, colliding just before the intersection due to the defective ignition switch. The airbags in the Plaintiff's vehicle failed to deploy.

65. Plaintiff Oswald Crespo was injured in the accident. He suffered injuries to his left shoulder, severe concussion, ankle and ear damage that caused impairment for which he was required to seek medical attention.

66. On December 24, 2012, Plaintiff Freddie Davis was operating a 2002 Cadillac Deville, Vehicle Identification Number 1G6KD54Y12U107499. While traveling South on Elvis Presley, in Shelby County, Memphis, Tennessee, Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and the Plaintiff could not navigate his vehicle away from an approaching vehicle, colliding in the intersection.

67. Plaintiff Freddie Davis was injured in the incident. He suffered injuries to his head and back that caused impairment and for which he was required to seek medical attention.

68. On June 8, 2012, Plaintiff Michael Dixon was operating a 2012 Chevrolet Impala, Vehicle Identification Number 2G1WG5E39C1292985. While traveling on Highway 7, in Letcher County, Blackey, Kentucky, Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and Plaintiff was unable to control the vehicle to avoid going head first into a ditch.

69. Plaintiff Michael Dixon was injured in the incident. He suffered injuries to his chest, neck, back, and legs that caused impairment and for which he was required to seek medical attention.

70. On September 10, 2012, Plaintiff Clorine Edwards was operating a 2008 Chevrolet Impala, Vehicle Identification Number 2G1WB58K289215803. Plaintiff's vehicle was proceeding

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on the 385 Expressway in Shelby County, Memphis, Tennessee, when the Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and brakes. Plaintiff was unable to stop her vehicle which then impacted the vehicle in front of her.

71. Plaintiff Clorine Edwards was injured in the incident. She suffered injuries relating to her pregnancy that caused impairment and for which she was required to seek medical attention.

72. On September 20, 2012, Plaintiff Nicole Clay was operating a 2004 Cadillac Deville, Vehicle Identification Number 1G6KD54Y34U255978. Plaintiff's vehicle was preparing to make a right turn onto Newtown Pike in Fayette County, Lexington, Kentucky, when Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and Plaintiff could not navigate away from an approaching vehicle, colliding in the intersection.

73. Plaintiff Nicole Clay was injured in the incident. She suffered injuries to her lower back and head that caused impairment and for which she was required to seek medical attention.

74. On November 27, 2013, Plaintiff Agnes Evans was operating a 2005 Cadillac Deville, Vehicle Identification Number 1G6KD54Y75U114087. The Plaintiff's vehicle was exiting a private parking lot in Ouachita Parish, Monroe, Louisiana, when her vehicle lost power due to the defective ignition switch. Plaintiff's vehicle also lost its power steering and brakes and Plaintiff was unable to avoid colliding with a vehicle traveling down Louisville Avenue.

75. Plaintiff Agnes Evans was injured in the incident. She suffered injuries to her head and hip that caused impairment and for which she was required to seek medical attention.

76. On May 31, 2014, Plaintiff Deanna Gooden was operating a 2001 Chevrolet Impala. The Plaintiff's vehicle lost power due to the defective ignition switch when she swerved to miss a semi crossing over into her lane. The vehicle also lost power steering and brakes, the Plaintiff was unable to avoid hitting a median head on.

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77. Plaintiff Deanna Gooden was injured in the incident. She suffered injuries to her back, and neck that caused impairment and for which she was required to seek medical attention.

78. On March 5, 2012 Plaintiff Shawnda Greene was a passenger in a 2011 Chevrolet Impala. Plaintiff was coming around a curve in Acadia Parish, near Crowley, Louisiana when her vehicle went over some gravel. Plaintiff attempted to correct the vehicle, it lost power due to the defective ignition switch causing the vehicle to hit a canal head on.

79. Plaintiff Shawnda Greene was injured in the incident. She suffered injuries to the left side of her skull and spine that caused impairment and for which she was required to seek medical attention.

80. On May 16, 2012 Plaintiff Ricky Jackson was a passenger in a 2011 Chevrolet Impala, Vehicle Identification Number 2G1WG5EK9B1121445. Plaintiff was traveling in Jefferson County, Louisville, Kentucky when the vehicle lost power due to the defective ignition switch. Plaintiff's vehicle also lost power steering and brakes and the Plaintiff was unable to avoid hitting a parked vehicle. The airbags did not deploy due to the defective ignition switch.

81. Plaintiff Ricky Jackson was injured in the incident. He suffered injuries to his neck and back that caused impairment and for which he was required to seek medical attention.

82. On February 15, 2014 Plaintiff Cory Johnson was a passenger in a 2006 Pontiac Grand Prix. Plaintiff was traveling northbound on Highway 224, McNairy County, Tennessee when the vehicle he was in lost power steering due to the effective ignition switch, crossed the center line and struck another vehicle head on.

83. Plaintiff Cory Johnson was injured in the incident. He suffered injuries that include a broken C5 vertebrae, fractured sternum, and a collapsed carotid artery that caused impairment and for which he was required to seek medical attention.

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84. On September 8, 2014, Plaintiff Tiffany Leiby was a passenger in a 2000 Chevrolet Impala, Vehicle Identification Number 2G1WH55K8Y9154735. While traveling south on Highway 3, passing over a bridge in Baton Rouge, Louisiana, the vehicle lost power. The front of the vehicle struck the bridge railing and her airbags did not deploy due to the defective ignition switch.

85. Plaintiff Tiffany Leiby was injured in the incident. She suffered injuries to her head, neck and shoulder that caused impairment and for which she was required to seek medical attention.

86. On September 25, 2014, Plaintiff Darius St. Amant was operating a 2008 Chevrolet Impala, Vehicle Identification Number 2G1WT58KX89233723. While traveling north on N. Bertrand, Lafayette Parish, Lafayette, Louisiana, Plaintiff's vehicle was struck in the front, passenger side by an oncoming vehicle, the air bags failed to deploy due to the defective ignition switch.

87. Plaintiff Darius St. Amant was injured in the incident. He suffered injuries to his back and head that caused impairment and for which he was required to seek medical attention.

88. On May 16, 2013, Plaintiff Rebecca Meadows was operating a 2003 Pontiac Grand Prix, Vehicle Identification Number 1G2WK52J13F177038. Plaintiff was traveling in near Whitley County, Williamsburg, Kentucky when her vehicle went slightly on the shoulder of the road. The vehicle lost power due to the defective ignition switch and the Plaintiff was unable to avoid a head on collision with a tree.

89. Plaintiff Rebecca Meadows was injured in the incident. She suffered injuries to her face, lungs, ribs, and nose that caused impairment and for which she was required to seek medical attention.

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90. On October 20, 20012, Plaintiff Rex Moore was operating a 2002 Cadillac DeVille, Vehicle Identification Number 1G6KD54YX2U173808. While traveling East on Bethel Avenue, near Knox County, Knoxville, Tennessee, Plaintiff was passing another vehicle when his vehicle lost power due to the defective ignition switch. The vehicle also lost power steering and brakes and Plaintiff was unable to avoid being struck by another vehicle.

91. Plaintiff Rex Moore was injured in the incident. He suffered injuries to his back and knee that caused impairment and for which he was required to seek medical attention.

92. On August 6, 2014, Plaintiff Dominic Noyas-Jones was operating a 2004 Pontiac Grand Prix, Vehicle Identification Number 2G2WP522241273439. Plaintiff was coming over a hill, traveling westbound on Old Bowling Green Road, in Barren County, Kentucky, when he noticed the vehicle in front of him was stopped. Plaintiff attempted to avoid a collision, but lost power steering due to the defective ignition switch and struck the vehicle directly in front of his vehicle, causing his vehicle to turn slightly. Plaintiff was then struck by a vehicle traveling eastbound on Old Bowling Green Road before coming to a complete stop.

93. Plaintiff Dominc Noyas-Jones was injured in the incident. He suffered a broken nose and whiplash that caused impairment and for which he was required to seek medical attention.

94. On May 31, 2014, Plaintiff Brittany Taylor was a passenger in a 2001 Chevrolet Impala. The Plaintiff's vehicle lost power due to the defective ignition switch when she swerved to miss a semi crossing over into her lane. The vehicle also lost power steering and brakes and the Plaintiff was unable to avoid hitting a median head on.

95. Plaintiff Brittany Taylor was injured in the incident. She suffered neck, back and head injury that caused impairment and for which she was required to seek medical attention.

96. On October 13, 2010, Plaintiff Joyce Thompson was operating a 2006 Chevrolet

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Monte Carlo. Plaintiff's vehicle was proceeding on Taylor Road at the intersection of Sale Avenue in near Jefferson County, Louisville, Kentucky, when the vehicle was hit by an oncoming vehicle. Plaintiff's airbags did not deploy upon impact due to the defective ignition switch.

97. Plaintiff Joyce Thompson was injured in the incident. She suffered injuries to her head, left knee and back that caused impairment and for which she was required to seek medical attention.

98. On March 5, 2012, Plaintiff Sandie Tupper was operating a 2011 Chevrolet Impala. Plaintiff was coming around a curve near Acadia Parish, Crowley, Louisiana when her vehicle went over some gravel. Plaintiff attempted to correct the vehicle; it lost power due to the defective ignition switch causing the vehicle to hit a canal head on.

99. Plaintiff Sandie Tupper was injured in the incident. She suffered injuries to her skull and spine that caused impairment and for which she was required to seek medical attention.

100. On May 16, 2012, Plaintiff Melissa Whitehead was operating a 2011 Chevrolet Impala, Vehicle Identification Number 2G1WG5EK9B1121445. Plaintiff was traveling in Jefferson County, near Louisville, Kentucky when the vehicle lost power due to the defective ignition switch. Plaintiff's vehicle also lost power steering and brakes and the Plaintiff was unable to avoid hitting a parked vehicle.

101. Plaintiff Melissa Whitehead was injured in the incident. She suffered injuries to her head, mouth, back, and shoulder that caused impairment and for which she was required to seek medical attention.

102. On March 28, 2012, Rickie Flanery was operating a 2002 Chevrolet Impala, Vehicle Identification Number 2G1WF52E329191137. Mr. Flanery swerved to avoid an animal while traveling westbound on Kentucky – 8, Lewis County, Garrison, Kentucky. His vehicle shut

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off due to the defective ignition switch causing the driver to lose control in turn causing the vehicle to flip three times and eject the driver.

103. Rickie Flanery suffered a fatal injury in the accident.

104. Plaintiff Anthony Flanery, as Administrator of the Estate of Richie Flanery respectfully brings this action on behalf of the Estate of his late brother.

105. On October 25, 2013 Shon Wilson was a passenger in a 2004 Monte Carlo, Vehicle identification Number 2G1WX12KX49283683. The vehicle in which Mr. Wilson was riding was traveling northbound on Coleman when the vehicle veered off the roadway hitting a dirt embankment and rolling into a tree. The vehicle in which Mr. Wilson was riding in lost power steering and brakes due to the defective ignition switch.

106. Shon Wilson suffered a fatal injury in the accident.

107. Plaintiff Marilyn Wilson, the mother of Shon Wilson respectfully brings this action on behalf of the estate of Shon Wilson, and individually as a wrongful death beneficiary.

#### VI. CAUSES OF ACTION

#### A. Strict Product Liability

108. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

109. GM manufactured Plaintiffs' vehicles. GM has admitted publicly, through its recall of the Subject Vehicles that Plaintiffs' vehicles contained a defect – namely the faulty ignition switch described above. In addition to GM's admission (through the recall and elsewhere) of the existence of the defective Ignition Switch, several studies have concluded that the Ignition Switch

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at issue is defective, results in "moving stalls," and airbag non-deployment in crashes.<sup>1</sup>

110. The ignition switch was a substantial factor in bringing about Plaintiffs accidents and resulting injuries; the defective switch also prevented the airbags from deploying.

111. At all times relevant to this action, Plaintiffs were using their vehicles in a proper and foreseeable manner and as it was intended by Defendant to be used when Defendant designed, manufactured, marketed, warranted, and sold the vehicle. Plaintiffs' vehicles had not been substantially modified or altered from the condition in which he bought it until the time of the incident that forms the basis of this suit.

112. Plaintiffs could not, through the exercise of reasonable care, have discovered the defect in the Ignition Switch and perceived its danger, nor could they have, through the exercise of reasonable care, avoided the incidents that caused their injuries.

113. Upon information and belief, the defective component was manufactured as it was designed – a design that relied exclusively on GM's approval of the component's performance. According to the Valukas Report, the design itself was so far below GM's specifications that it failed to keep Plaintiff's vehicles powered on during the normal conditions they encountered on the dates of the incidents.

114. GM marketed Plaintiff's vehicles, the Subject Vehicles, and Ignition Switches that were designed so that they were not reasonably safe in that they rendered the Subject Vehicles uncontrollable and prevented airbag deployment in a crash. The design of the Ignition Switches and Subject Vehicles was such that the utility of those products did not outweigh the danger of their introduction into the stream of commerce.

See, e.g. Indiana Transportation Research Center Report, April 25, 2007, GMNTHSA000223985; Keith A. Young, Technical Reconstruction Unit, Wisconsin State Patrol Academy, Collision Analysis & Reconstruction Report Feb. 14, 2007 at GMNTHSA000284395; Erin Shipp's Engineer Report at GMNHTSA000309665.

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115. At the time the Subject Vehicles and the Ignition Switches were produced, there existed, and GM was aware of, cost-effective safer alternative designs that were both feasible and would have made the Subject Vehicles and Ignition Switches safer. Moreover, the safer alternative design would not have impaired the usefulness of the Ignition Switches and Subject Vehicle. In fact, the solution was as simple as using a longer spring, which GM ultimately did in 2006.

116. These design defects were the producing and proximate cause of Plaintiff's accidents and resulting injuries.

117. Defendant also failed to warn the public and Plaintiffs specifically, of the inherent defects in the Subject Vehicles, the Ignition Switches, and Plaintiffs cars specifically. Defendant did not inform the public of these life-threatening defects until 2014. Had Defendant warned Plaintiffs that their vehicles they were driving could experience a "moving stall" during normal operations and/or that the airbags would not deploy in a crash, Plaintiffs would not have bought or continued to operate their vehicles in that defective condition. Defendant's failure to warn Plaintiffs regarding the true capabilities, defects, and limitations of their vehicles were the producing and proximate cause of Plaintiffs incidents and resulting injuries.

118. Defendant knew, or through the exercise of reasonable care, should have known of the defects, capabilities, and limitations of the Subject Vehicles and the Ignition Switches during intended and foreseeable use. This fact has been borne out in the Valukas Report and will doubtlessly be bolstered during discovery in this case. The mounting evidence makes it clear that, not only was Defendant aware of these defects, they were consciously indifferent to the high risk of grievous harm attendant to the "ignition switch from hell." Defendant gave no warning, much less an adequate warning, that the Subject Vehicles could experience a "moving stall" or that the airbags would fail to deploy as they should. The only adequate warning Defendant could have

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possibly given would have been to direct consumers to immediately cease to operate the Subject Vehicles. Defendant eventually recalled the Subject Vehicles, but much too late to be of any help to Plaintiffs.

#### B. Negligence

119. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

120. Defendant owed a duty of care to the public and to Plaintiffs specifically, to design, manufacture, market, warrant, and sell vehicles that were free from dangerous defects and that were capable of being operated safely during normal and foreseeable use.

121. Moreover, Defendant was required by a host of state and federal regulations to design, manufacture, market, warrant, and sell vehicles that were free from dangerous defects and that were capable of being operated safely during normal and foreseeable use.

122. Defendant had a duty to timely discover and remedy defects in the Subject Vehicles, and in Plaintiff's vehicles specifically, that rendered them abnormally dangerous during normal and foreseeable use.

123. Defendant breached the above-cited duties in at least the following respects:

- a. Failing to design an ignition switch that maintained a vehicle in an operational condition during normal and foreseeable use of the vehicles;
- b. Failing to discover defects in the Subject Vehicles, and in Plaintiff's vehicles specifically, in a timely manner;
- c. Marketing and selling vehicles that could, and did, experience "moving stalls" during normal and foreseeable use;
- d. Failing to warn the public, and Plaintiffs specifically, that the Subject

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Vehicles could and did experience "moving stalls" during normal and foreseeable use of the vehicles;

- e. Failing to warn the public, and Plaintiffs specifically, that the Subject Vehicles could and did experience airbag non-deployment during crashes in which the airbags should deploy;
- f. Failing to implement proper surveillance procedures to identify, track, and account for incidents related to the failure of the Ignition Switches;
- g. Ignoring incidents and reports that would have led a reasonable manufacturer of vehicles and components to recall and/or remedy defects in the Subject Vehicles;
- h. Allowing vehicles to be placed in the stream of commerce that Defendant knew or should have known suffered from potentially deadly defects; and
- i. Failing to timely recall the Subject Vehicles when it became apparent, or should have been apparent through the exercise of reasonable care and/or diligence, that crashes were being caused and exacerbated by the faulty Ignition Switches.

124. Defendant's breaches of duty in both common law and statute were the producing and proximate cause of the incident at issue and Plaintiff's damages. Plaintiffs belonged to the class of persons meant to be protected by the state and federal regulations breached by Defendant.

#### C. Breach of Express and Implied Warranties; Deceptive Trade Practices

125. The preceding paragraphs are hereby incorporated by reference as if set forth in full here. Plaintiff's hereby bring suit pursuant, but not limited, to the N.Y. GBS. LAW § 349 *et. seq.* "The New York Deceptive Trade Practices Act".

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126. The incident in which Plaintiffs were injured was caused by the defective Subject Vehicle and Ignition Switch as described herein. Plaintiffs were consumers who did, and reasonably could have been expected to, use and/or be affected by the Subject Vehicles. Plaintiffs purchased the vehicles at issue in this case, and there existed a privity of contract as that term is known at law.

127. The incident at issue occurred, and Plaintiffs were injured, because their vehicles and ignition switches were defective, as described herein, in that they were not safe for normal and foreseeable use.

128. Defendant expressly and impliedly warranted that the Subject Vehicles would not shut off during normal and foreseeable use, that the Subject Vehicles could be safely operated during normal use, that the essential functions of the Subject Vehicles would remain operable during foreseeable use, and that the airbags would deploy in the case of a crash in which one would normally expect the airbags to deploy.

129. Because of the defects described herein, in various public reports, and as admitted by Defendant itself, these (and other) express and implied warranties were breached by Defendant. The Subject Vehicles and Plaintiff's vehicles specifically, were not fit for the ordinary purposes for which such vehicles are used nor were they fit for the specific purpose Defendant represented them to be useful for.

130. Defendant's acts and omissions were deceptive in that the Subject Vehicles and Ignition Switches were advertised and warranted to possess qualities, characteristics and protections that they did not, in fact, possess. The Subject Vehicles and Ignition Switches were represented to be of a particular standard, quality and grade free from defects, of merchantable quality and fit for the purpose for which they were sold and they were not.

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131. Defendant's breaches of warranty were the producing and proximate cause of the incident at issue and Plaintiff's damages.

#### **D.** Gross Negligence

132. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

133. The evidence referenced in this Complaint and the mounting evidence regarding the recent recalls of millions of defective GM vehicles makes it clear that Defendant is guilty of exceptional misconduct. GM was issued, and agreed to, a record fine by the U.S. Department of Transportation's National Highway Traffic Safety Administration. Defendant has been aware for more than a dozen years that the ignition switches in the Subject Vehicles were grossly inadequate and subjected the driving public to a grave risk of grievous harm. Producing and marketing vehicles that are subject to complete system failures at highway speeds is akin to launching millions of torpedoes onto American streets and highways – with unsuspecting consumers inside. Defendant knew about the problem for years and, because of greed and/or gross ineptitude, refused to act on the problem. Instead, Defendant gave the issue the "GM nod." The "GM nod" demonstrates that more than one of Defendant's superior officers in the course of employment ordered, ratified, and/or participated in the malicious conduct. These officers acted maliciously, wantonly, and/or recklessly, and clearly the Defendant is guilty of exceptional misconduct and gross negligence. Plaintiffs demand punitive damages for this conduct.

#### VII. DAMAGES

134. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

135. Plaintiffs, as a result of the liability of Defendant described above, have suffered

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and make claims for reasonable and necessary medical expenses incurred as a result of the incident made basis of these suits in the past and future, past and future pain and suffering, lost wages and earning capacity in the past, disfigurement in the past and future, impairment in the past and future and exemplary damages. Plaintiffs also demands statutory penalties be imposed pursuant to the applicable Deceptive Trade Practices Act and attorney's fees.

#### VIII. CONCLUSION AND PRAYER

136. Defendant has only recently admitted publically its wrongdoing – albeit not to the full extent and not in time to prevent Plaintiff's injuries – but it admitted wrongdoing nonetheless. As the evidence mounts about what was known and when, it is becoming inescapably clear that Defendant needs to be punished and the victims they have injured need to be compensated. The law is powerless to remedy the harms Defendant has caused through its negligent, reckless, and malicious conduct – we cannot restore life or limb. However, justice must be done to the extent we are able, and Plaintiffs demand that Defendant answer for its acts and omissions that led to Plaintiffs damages and be required to pay compensatory and exemplary damages to the full extent allowed by law.

137. WHEREFORE, PREMISES CONSIDERED, Plaintiffs respectfully request Defendant be cited, tried by jury, and, upon verdict in Plaintiffs favor, Judgment be entered against Defendant for:

- a. Actual damages within the jurisdictional limits of this Court;
- b. Property damage and loss;
- c. Exemplary damages to the full extent permitted by law;
- d. Attorney's fees;
- e. Costs of suit;

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- f. Pre- and Post-Judgment Interest at the maximum recoverable level; and
- g. All other relief to which the Plaintiff's show themselves justifiably entitled.

**Dated:** May 27, 2015

Respectfully Submitted,

Jason E. Dunahoe, *Pro Hac* Texas State Bar No. 24048440 *Attorneys for Plaintiffs* 

Of Counsel:

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UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK X				
IN RE: GENERAL MOTORS LLC IGNITION SWITCH LITIGATION		14-MD-2543 (JMF)		
This Document Relates to:	X	Case No. <u>1:15-cv-04088-JMF</u>		
LATANYA BRADFORD, ET AL PLAINTIFFS,	Complaint	Jury Trial Demanded		

V.

GENERAL MOTORS, LLC, DEFENDANT

#### -----X AMENDED COMPLAINT

COME NOW Plaintiffs, through undersigned counsel, and for cause of action respectfully shows as follows:

# I. PRELIMINARY STATEMENT

1. Plaintiffs were involved in accidents, and received injuries, in GM vehicles that have been recalled because of defective ignition switches. Each incident, explained below, was proximately caused by the failure of each Plaintiff's ignition switch and/or their injuries were exacerbated because the defective ignition switch prevented their airbag from deploying. All Plaintiffs were damaged and received personal injuries as a result of the defective ignition switch in their GM vehicles.

2. Plaintiffs' causes of action are brought against GENERAL MOTORS LLC ("New GM"). Plaintiffs do not assert any causes of action against General Motors Corporation ("Old GM"), although, in some cases, Old GM manufactured Plaintiffs' vehicles. The incidents at issue in this case occurred after the Old GM bankruptcy, which is discussed briefly below. The subject
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vehicles have been recalled by General Motors LLC, and New GM is strictly liable for the incident.

3. While at times this Complaint references acts and omissions by Old GM, these references are for background purposes only. Old GM arguably ceased to exist pursuant to the June 26, 2009 Amended and Restated Master Sale and Purchase Agreement wherein New GM acquired certain Old GM assets. That Amended and Restated Master Sale and Purchase Agreement was approved on July 10, 2009. In that Agreement, New GM expressly agreed to accept responsibility for product liability claims that arose from accidents or incidents occurring on or after July 10, 2009.

4. While New GM expressly accepted responsibility for accidents occurring on or after July 10, 2009, it also acquired knowledge of Old GM's activities generally, and the existence of the defective ignition switches in place in millions of vehicles specifically. New GM acquired personnel from Old GM, including but not limited to, top leadership personnel, executives, members of the Board of Directors, internal legal counsel, engineers and quality control personnel. Most importantly, New GM retained the engineer in charge of designing and approving the manufacturing specifications of the defective ignition switch. The employees retained by New GM carried with them the knowledge they gained at Old GM. New GM also acquired knowledge about the issues with the ignition switch, moving stalls and airbag non-deployment through the chief engineer, design and manufacturing documents, internal memorandum, and reports to the Board of Directors. New GM continued to service – and to receive complaints about – vehicles manufactured on Old GM's watch. While the change from Old GM to New GM arguably had some legal effect with regard to creditors who received notice of their rights, it had little practical effect relative to the problems with, and knowledge of, the ignition-switch defect.

5. New GM also acquired certain duties with regard to vehicles in production and on

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the road at the time of the Sale and Purchase Agreement – duties it breached egregiously – as has been well-publicized and for which it has been justifiably criticized. These duties included, but are not limited to, those arising under the National Traffic and Motor Vehicle Safety Act, 49 U.S.C. § 30101 *et. seq.* and the Transportation Recall Enhancement, Accountability and Documentation Act, 49 U.S.C. §§ 30101 – 30170. GM was fined \$35 Million by NTSHA for its delayed reporting of the ignition switch problem and violating federal safety laws. New GM's liability for damages is attributable to its own post-sale conduct and failure to timely remedy and/or recall vehicles it knew had deadly defects, even with regard to vehicles manufactured and sold prior to the Sale and Purchase Agreement. Plaintiffs' cases are a prime example of liability and gross negligence that is inarguably attributable solely to New GM, as is shown below.

#### II. INTRODUCTION

6. At the time of this filing, more than 12,000,000 GM vehicles have been recalled because of a defective ignition switch. Hundreds, if not thousands, of accidents are now known to have been caused by vehicles losing power and control because the defective ignition switch turned from "on" to "off" during normal and foreseeable operation. When the ignition switch fails, drivers are unable to use their steering and brakes in an effective manner. The resulting loss of control, or "moving stall," and subsequent accidents are exacerbated by the fact that the defective ignition switch also prevents life-saving airbags from deploying. So, in addition to causing accidents, the defective part makes the resulting damages even greater. As used in this Complaint, the "Subject Vehicles" refers to the GM vehicles manufactured, upon information and belief, on the Delta Platform, sold in the United States, equipped at the time of sale with ignition switches (the "Ignition Switches"), and sharing a common defective design, including the following makes and model years:

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# **Buick:**

- Lacrosse (2005 2009)
- Lucerne (2006 2011)

# Cadillac:

- CTS (2003 2014)
- Deville (2000 2005)
- DTS (2006 2011)
- SRX (2004 2006)

# **Chevrolet:**

- Camaro (2010 2014)
- Cobalt (2005 2010)
- HHR (2006 2011)
- Impala (2000 2014)
- Malibu (1997 2005)
- Monte Carlo (2000 2007)

# **Oldsmobile:**

- Alero (1999 2004)
- Intrigue (1998 2002)

# **Pontiac:**

- G5 (2007 2010)
- Grand Am (1999 2005)
- Grand Prix (2004 2008)
- Solstice (2006 2010)

# <u>Saturn:</u>

- Ion (2003 2007)
- Sky (2007 2010)

7. Each of the vehicles driven by Plaintiffs is included in the above-listed "Subject Vehicles" and contained the defective Ignition Switch that is the subject of the 2014 GM ignition switch recalls. Plaintiffs' vehicles were in substantially the same condition as when each left the manufacturer and contained a defective ignition switch that, upon information and belief was the proximate and producing cause of the incident at issue and Plaintiffs' resulting injuries and damages.

8. The Ignition Switch that was approved by GM and installed in the GM Subject

Vehicles identified above, was one of several switches manufactured at GM's direction in 2001. Each type of switch was manufactured, tested and evaluated by GM engineers prior to production. The switch that was ultimately selected by GM (the "Delta Switch") had a shorter spring in the detent plunger that gave it a smoother, more "European" feel. Another switch was identical to the Delta Switch in every respect except that it used a longer spring in the detent plunger. The longer spring increased the torque required to engage and disengage the ignition switch – it made it hard to turn the key in both directions. The longer spring also sacrificed the smooth feel that was so

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important to GM.

9. According to the recently published "Report to the Board of Directors of General Motors Company Regarding Ignition Switch Recalls" authored by Anton R. Valukas ("The Valukas Report"), GM made a conscious decision, in the fall of 2002, to use the Delta Switch in the Subject Vehicles "that was so far below GM's own specifications that it failed to keep the car powered on in circumstances that drivers would encounter." GM knew of, and approved, the final version of the Ignition Switch that was installed in millions of cars despite knowing that the force required to disengage the ignition switch was far below minimum specifications.

10. According to documents obtained by a United States House of Representatives committee during an investigation into the Defective Ignition Switches, GM opened an engineering inquiry about the defective Ignition Switch in 2004 after customers complained that the Subject Vehicles could be turned off while driving. Also according to those documents, the Cobalt program engineer rejected a proposal to change the Ignition Switch claiming that the part was too expensive and the change would take too much time – after he experienced the same problem while performing a test drive of a Cobalt. The cost that the project engineer found intolerably high was less than one dollar per vehicle.

11. The switch was eventually redesigned in 2006, although using the same part number as the Delta Switch. Remarkably, the solution to the torqueing problem had been present since 2001; all that needed to be done was use the longer spring that had already been tested in the design phase. No other changes were made to the switch and, aside from affecting the "European" feel of the switch, the new switch with the longer spring functioned capably. The longer spring also brought the ignition switch into spec with regard to torque force.

12. The decision to use the same part number meant that already-produced Delta

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Switches continued to be installed in GM vehicles even after the attempted design correction was implemented. Apparently GM's chief design engineer "forgot" the change had been made to correct the torque issue. This additional blunder exacerbated the problem with the GM vehicles; GM had no idea what cars had the Delta Switch and which had the switch with the new, longer spring.

13. Although the switch's inability to keep the car powered on during normal and foreseeable use of the subject vehicles "were known within GM's engineering ranks at the earliest stages of its [the switch's] production," GM ignored the safety risks attendant to these "moving stalls." These risks include, but are not limited to, sudden failure of: power steering, anti-lock brakes, electronic stability control, lane departure warnings, navigation systems, and airbag deployment. These sudden system failures made the Subject Vehicles impossible to control and, once the inevitable accident occurred, left the driver and passengers without life-saving airbags.

14. Apparently, GM viewed the defective ignition switches as a convenience and comfort and looked everywhere but at the design to determine the problem. GM failed to focus on the safety problems with the ignition switch turning a vehicle off during normal operation and, inexplicably, failed to link the power failure with a failure to allow airbags to deploy in a resulting accident.

15. Also according to The Valukas Report:

"While GM heard over and over from various quarters – including customers, dealers, the press and their own employees – that the car's ignition switch led to moving stalls, group after group and committee after committee within GM that reviewed the issue failed to take action or acted too slowly. Although everyone had responsibility to fix the problem, nobody took responsibility. It was an example of what one top executive described as the "GM nod," when everyone nods in agreement to a proposed plan of action, but then leave the room and does nothing."

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16. Although GM was aware (after the Purchase and Sale Agreement with Old GM) of the problem with the switches, the link between the defect and airbag non-deployment, hundreds of accidents, and dozens of acknowledged deaths attributable to the defective ignition switches, GM did not even begin recalling the Subject Vehicles until 2014. Not even the solution is attributable to GM – it was a plaintiff attorney's investigator that finally disassembled the defective part and discovered the problem that GM had been incapable of discovering for a dozen years.

17. Instead of accepting the defects in the Subject Vehicles and Ignition Switches as real safety issues, GM publically denied that either was a problem. Instead of working to identify and correct the problem, GM, its directors, engineers and counsel devoted their efforts to minimizing the perceived frequency and pervasiveness of the problems. Instead of accepting responsibility for the incidents and tragedies they caused, Defendant focused on "defending the brand" and public relations. Defendant knew, or in the exercise of the most basic diligence, should have known that a defect that causes system-wide failure of key components presented a significant safety risk to the public.

18. As a result of GM's negligent, reckless, and malicious conduct, Plaintiffs' owned and operated a vehicle with a defective ignition switch, described by the designing engineer as "the switch from hell." The defective ignition switch is believed to be the cause of Plaintiffs' accidents and resulting catastrophic injuries, which are explained more fully below.

#### III. PARTIES

- 19. Plaintiff Latanya Bradford is a resident of the State of Louisiana.
- 20. Johnathan Anderson is a resident of the State of Louisiana.
- 21. Plaintiff Stephanie Burrow is a resident of the State of Louisiana.

- 22. Plaintiff Kieara Cain is a resident of the State of Louisiana.
- 23. Plaintiff Gary Caldwell is a resident of the State of Kentucky.
- 24. Plaintiff Gary Caldwell, Individually and on behalf of IC, A Minor, resides in the State of Kentucky.
- 25. Plaintiff Joseph Claywell is a resident of the State of Kentucky.
- 26. Plaintiff Oswald Crespo is a resident of the State of Tennessee.
- 27. Plaintiff Freddie Davis is a resident of the State of Tennessee.
- 28. Plaintiff Michael Dixon is a resident of the State of Kentucky.
- 29. Plaintiff Clorine Edwards is a resident of the State of Tennessee.
- 30. Plaintiff Nicole Clay is a resident of the State of Kentucky.
- 31. Plaintiff Agnes Evans is a resident of the State of Tennessee.
- 32. Plaintiff Deanna Gooden is a resident of the State of Tenessee.
- 33. Plaintiff Shawnda Green is a resident of the State of Louisiana.
- 34. Plaintiff Ricky Jackson is a resident of the State of Kentucky.
- 35. Plaintiff Cory Johnson is a resident of the State of Tennessee.
- 36. Plaintiff Tiffany Leiby is a resident of the State of Louisiana.
- 37. Plaintiff Darius St. Amant is a resident of the State of Louisiana.
- 38. Plaintiff Rebecca Meadows is a resident of the State of Kentucky.
- 39. Plaintiff Rex Moore is a resident of the State of Tennessee.
- 40. Plaintiff Dominic Noyas-Jones is a resident of the State of Kentucky.
- 41. Plaintiff Brittany Taylor is a resident of the State of Tennessee.
- 42. Plaintiff Joyce Thompson is a resident of the State of Kentucky.
- 43. Plaintiff Sandy Tupper is a resident of the State of Louisiana.

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- 44. Plaintiff Melissa Whitehead is a resident of the State of Kentucky.
- 45. Plaintiff Anthony Flanery, as Administrator of the Estate of Rickie Flanery, is a resident of Kentucky.
- 46. Plaintiff Marilyn Wilson, on behalf of the estate of Shon Wilson, and Individually is a resident of Tennessee.

47. Defendant General Motors LLC ("New GM") is a Delaware limited liability company with its principal place of business at 300 Renaissance Center, MC: 482-C14-C66, Detroit, Michigan 48265 and may be served with process through service on its designated agent for service of process, CSC-Lawyers Incorporating Service, 80 State Street, Albany, New York, 12207-2543. At all times relevant herein, General Motors Corporation and its successor in interest GENERAL MOTORS LLC were engaged in the business of designing, manufacturing, constructing, assembling, marketing, warranting, distributing, selling, leasing, and servicing automobiles, including the Subject Vehicle, as described in this Complaint, and other motor vehicles and motor vehicle components throughout the United States. General Motors LLC has sufficient contacts with New York, such that under the New York Long Arm Statute it is subject to, and has submitted to, the jurisdiction of this Court.

#### IV. JURISDICTION AND VENUE

48. Jurisdiction is proper in this Court pursuant to Case Management Order No. 8 in *In re General Motors LLC Ignition Switch Litigation*, [14-MC-2543, Dkt. No. 36]. By filing this Complaint in this district, however, Plaintiffs do not waive their rights to transfer this case to the district in which they reside at the conclusion of pretrial proceedings. Moreover, Plaintiffs do not waive their rights or consent with regard to choice of law by filing directly into the MDL Court pursuant to the Court's Case Management Order No. 8 and specifically rely on representations by

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GM to the Court that Plaintiffs will not be prejudiced by their decision to file directly into the MDL Court in the interest of convenience and judicial economy.

49. This Court also has jurisdiction over this matter under 28 U.S.C. § 1332(a) because the amount in controversy exceeds \$75,000 and Plaintiffs are each and every one a citizen of a different state than Defendant.

# V. FACTUAL BACKGROUND

50. On August 20, 2010, Plaintiff Latanya Bradford was operating a 2008 Chevrolet Impala, Vehicle Identification Number 2G1WB58N889127655. While traveling northbound on Loyola Drive in Kenner, Jefferson Parish, Louisiana, Plaintiff's vehicle was struck in the front, passenger side by another vehicle making an illegal U-turn. Plaintiff attempted to correct her vehicle, however, the steering would not respond due to the defective ignition switch.

51. Plaintiff Latanya Bradford was injured in the incident. She suffered injuries to her neck and back that caused her to begin to have labor contractions and for which she was required to seek medical attention.

52. On July 28, 2014 Plaintiff Johnathan Anderson was operating a 2000 Chevrolet Impala. Plaintiff's vehicle was approaching a curve in Acadia Parish, Crowley, Louisiana, when the vehicle lost power and would not respond, causing Plaintiff to go head first into a ditch. Plaintiff's airbags did not deploy upon impact due to the defective ignition switch.

53. Plaintiff Johnathan Anderson was injured in the incident. He suffered injuries to his spine and back and for which he was required to seek medical attention.

54. On April 3, 2014, Plaintiff Stephanie Burrow was operating a 2012 Chevrolet Camaro, Vehicle Identification Number 2G1FC1E39C9135796. Plaintiff Stephanie Burrow was driving eastbound on Interstate 10 in Calcasieu Parish, Louisiana when her vehicle went right onto

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the shoulder of the road. Plaintiff's vehicle lost its power steering due to the defective ignition switch, causing her vehicle to collide with a fence, followed by a ditch, finally coming to a stop after colliding with a second fence.

55. Plaintiff Stephanie Burrow was injured in the incident. She suffered injuries to her right leg, ribs, and a broken back that caused her impairment and for which she was required to seek extended medical attention.

56. On August 22, 2013, Plaintiff Keiara Cain was operating a 2011 Chevrolet Impala, Vehicle Identification Number 2G1WG5EK5B1126335. Plaintiff was stopped at the intersection of LA 327 Spur and GSRI Avenue, in Baton Rouge, East Baton Rouge Parish, Louisiana, when her traffic signal changed to green; she proceeded forward into the intersection, as she was in the intersection she was impacted on the front right corner by another vehicle. The vehicle lost its power steering and brakes due to defective ignition switch, causing her to be unable to avoid the collision with another vehicle. Plaintiff's airbags did not deploy upon impact due to the defective ignition switch.

57. Plaintiff Keiara Cain was injured in the incident. She suffered a knee contusion and back sprain that caused her impairment and for which she was required to seek medical attention.

58. On October 6, 2010, Plaintiff Gary Caldwell was operating a 2004 Chevrolet Impala, Vehicle Identification Number 2G1WH52K249430454. While traveling North on Kentucky 359 in Henderson County, Smith Mills, Kentucky, the vehicle began to swerve. Plaintiff attempted to correct the vehicle, when Plaintiff's steering locked up due to the defective ignition switch. Plaintiff's vehicle lost its power steering, causing his vehicle to collide with a mailbox, followed by a ditch, finally coming to a stop and catching on fire.

59. Plaintiff Gary Caldwell was injured in the incident. He suffered injuries to his ribs

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and back that caused his impairment and for which he was required to seek medical attention.

60. On October 6, 2010, Minor Plaintiff, IC, was a passenger in a 2004 Chevrolet Impala, Vehicle Identification Number 2G1WH52K249430454. While traveling North on Kentucky 359 in Smith Mills, Henderson County, Kentucky, the vehicle began to swerve. Plaintiff Gary Caldwell attempted to correct the vehicle, when Plaintiff's steering locked up due to the defective ignition switch. Plaintiff's vehicle lost its power steering, causing his vehicle to collide with a mailbox, followed by a ditch, finally coming to a stop and catching on fire.

61. Minor Plaintiff IC was injured in the incident. He suffered injuries to his head that caused impairment and for which he was required to seek medical attention.

62. On August 4, 2014, Plaintiff Joseph Claywell was operating a 2014 Chevrolet Camaro, Vehicle Identification Number 2G1FK1EJ8E9234968. While the driver was traveling on Peg Garmon Road, Cumberland County, Burkesville, Kentucky, Plaintiff was traveling around a curve the vehicle left the roadway and went up an embankment, Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle lost its power steering causing the vehicle to rollover and hit a guy wire for an electrical pole and ejecting the driver.

63. Plaintiff Joseph Claywell was injured in the incident. He suffered injuries to his lower back, right hand, left elbow, ribs, hip, and ankle that caused impairment. He was transported via life-flight to an area hospital medical attention.

64. On February 27, 2014, Plaintiff Oswald Crespo was operating a 2002 Cadillac DeVille, Vehicle Identification Number 1G6K054Y02U283914. Plaintiff was traveling eastbound on State Route 127 towards the intersection of US 41 and State Route 127 Coffee County, Tennessee, when a vehicle went off the roadway and stuck Plaintiff's vehicle. The vehicle lost its power steering and the Plaintiff's vehicle could not navigate away from an approaching vehicle,

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colliding just before the intersection due to the defective ignition switch. The airbags in the Plaintiff's vehicle failed to deploy.

65. Plaintiff Oswald Crespo was injured in the accident. He suffered injuries to his left shoulder, severe concussion, ankle and ear damage that caused impairment for which he was required to seek medical attention.

66. On December 24, 2012, Plaintiff Freddie Davis was operating a 2002 Cadillac Deville, Vehicle Identification Number 1G6KD54Y12U107499. While traveling South on Elvis Presley, in Shelby County, Memphis, Tennessee, Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and the Plaintiff could not navigate his vehicle away from an approaching vehicle, colliding in the intersection.

67. Plaintiff Freddie Davis was injured in the incident. He suffered injuries to his head and back that caused impairment and for which he was required to seek medical attention.

68. On June 8, 2012, Plaintiff Michael Dixon was operating a 2012 Chevrolet Impala, Vehicle Identification Number 2G1WG5E39C1292985. While traveling on Highway 7, in Letcher County, Blackey, Kentucky, Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and Plaintiff was unable to control the vehicle to avoid going head first into a ditch.

69. Plaintiff Michael Dixon was injured in the incident. He suffered injuries to his chest, neck, back, and legs that caused impairment and for which he was required to seek medical attention.

70. On September 10, 2012, Plaintiff Clorine Edwards was operating a 2008 Chevrolet Impala, Vehicle Identification Number 2G1WB58K289215803. Plaintiff's vehicle was proceeding on the 385 Expressway in Shelby County, Memphis, Tennessee, when the Plaintiff's vehicle lost

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power due to the defective ignition switch. The vehicle also lost its power steering and brakes. Plaintiff was unable to stop her vehicle which then impacted the vehicle in front of her.

71. Plaintiff Clorine Edwards was injured in the incident. She suffered injuries relating to her pregnancy that caused impairment and for which she was required to seek medical attention.

72. On September 20, 2012, Plaintiff Nicole Clay was operating a 2004 Cadillac Deville, Vehicle Identification Number 1G6KD54Y34U255978. Plaintiff's vehicle was preparing to make a right turn onto Newtown Pike in Fayette County, Lexington, Kentucky, when Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and Plaintiff could not navigate away from an approaching vehicle, colliding in the intersection.

73. Plaintiff Nicole Clay was injured in the incident. She suffered injuries to her lower back and head that caused impairment and for which she was required to seek medical attention.

74. On November 27, 2013, Plaintiff Agnes Evans was operating a 2005 Cadillac Deville, Vehicle Identification Number 1G6KD54Y75U114087. The Plaintiff's vehicle was exiting a private parking lot in Ouachita Parish, Monroe, Louisiana, when her vehicle lost power due to the defective ignition switch. Plaintiff's vehicle also lost its power steering and brakes and Plaintiff was unable to avoid colliding with a vehicle traveling down Louisville Avenue.

75. Plaintiff Agnes Evans was injured in the incident. She suffered injuries to her head and hip that caused impairment and for which she was required to seek medical attention.

76. On May 31, 2014, Plaintiff Deanna Gooden was operating a 2001 Chevrolet Impala. The Plaintiff's vehicle lost power due to the defective ignition switch when she swerved to miss a semi crossing over into her lane. The vehicle also lost power steering and brakes, the Plaintiff was unable to avoid hitting a median head on.

77. Plaintiff Deanna Gooden was injured in the incident. She suffered injuries to her

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back, and neck that caused impairment and for which she was required to seek medical attention.

78. On March 5, 2012 Plaintiff Shawnda Greene was a passenger in a 2011 Chevrolet Impala. Plaintiff was coming around a curve in Acadia Parish, near Crowley, Louisiana when her vehicle went over some gravel. Plaintiff attempted to correct the vehicle, it lost power due to the defective ignition switch causing the vehicle to hit a canal head on.

79. Plaintiff Shawnda Greene was injured in the incident. She suffered injuries to the left side of her skull and spine that caused impairment and for which she was required to seek medical attention.

80. On May 16, 2012 Plaintiff Ricky Jackson was a passenger in a 2011 Chevrolet Impala, Vehicle Identification Number 2G1WG5EK9B1121445. Plaintiff was traveling in Jefferson County, Louisville, Kentucky when the vehicle lost power due to the defective ignition switch. Plaintiff's vehicle also lost power steering and brakes and the Plaintiff was unable to avoid hitting a parked vehicle. The airbags did not deploy due to the defective ignition switch.

81. Plaintiff Ricky Jackson was injured in the incident. He suffered injuries to his neck and back that caused impairment and for which he was required to seek medical attention.

82. On February 15, 2014 Plaintiff Cory Johnson was a passenger in a 2006 Pontiac Grand Prix. Plaintiff was traveling northbound on Highway 224, McNairy County, Tennessee when the vehicle he was in lost power steering due to the effective ignition switch, crossed the center line and struck another vehicle head on.

83. Plaintiff Cory Johnson was injured in the incident. He suffered injuries that include a broken C5 vertebrae, fractured sternum, and a collapsed carotid artery that caused impairment and for which he was required to seek medical attention.

84. On September 8, 2014, Plaintiff Tiffany Leiby was a passenger in a 2000 Chevrolet

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Impala, Vehicle Identification Number 2G1WH55K8Y9154735. While traveling south on Highway 3, passing over a bridge in Baton Rouge, Louisiana, the vehicle lost power. The front of the vehicle struck the bridge railing and her airbags did not deploy due to the defective ignition switch.

85. Plaintiff Tiffany Leiby was injured in the incident. She suffered injuries to her head, neck and shoulder that caused impairment and for which she was required to seek medical attention.

86. On September 25, 2014, Plaintiff Darius St. Amant was operating a 2008 Chevrolet Impala, Vehicle Identification Number 2G1WT58KX89233723. While traveling north on N. Bertrand, Lafayette Parish, Lafayette, Louisiana, Plaintiff's vehicle was struck in the front, passenger side by an oncoming vehicle, the air bags failed to deploy due to the defective ignition switch.

87. Plaintiff Darius St. Amant was injured in the incident. He suffered injuries to his back and head that caused impairment and for which he was required to seek medical attention.

88. On May 16, 2013, Plaintiff Rebecca Meadows was operating a 2003 Pontiac Grand Prix, Vehicle Identification Number 1G2WK52J13F177038. Plaintiff was traveling in near Whitley County, Williamsburg, Kentucky when her vehicle went slightly on the shoulder of the road. The vehicle lost power due to the defective ignition switch and the Plaintiff was unable to avoid a head on collision with a tree.

89. Plaintiff Rebecca Meadows was injured in the incident. She suffered injuries to her face, lungs, ribs, and nose that caused impairment and for which she was required to seek medical attention.

90. On October 20, 20012, Plaintiff Rex Moore was operating a 2002 Cadillac DeVille,

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Vehicle Identification Number 1G6KD54YX2U173808. While traveling East on Bethel Avenue, near Knox County, Knoxville, Tennessee, Plaintiff was passing another vehicle when his vehicle lost power due to the defective ignition switch. The vehicle also lost power steering and brakes and Plaintiff was unable to avoid being struck by another vehicle.

91. Plaintiff Rex Moore was injured in the incident. He suffered injuries to his back and knee that caused impairment and for which he was required to seek medical attention.

92. On August 6, 2014, Plaintiff Dominic Noyas-Jones was operating a 2004 Pontiac Grand Prix, Vehicle Identification Number 2G2WP522241273439. Plaintiff was coming over a hill, traveling westbound on Old Bowling Green Road, in Barren County, Kentucky, when he noticed the vehicle in front of him was stopped. Plaintiff attempted to avoid a collision, but lost power steering due to the defective ignition switch and struck the vehicle directly in front of his vehicle, causing his vehicle to turn slightly. Plaintiff was then struck by a vehicle traveling eastbound on Old Bowling Green Road before coming to a complete stop.

93. Plaintiff Dominc Noyas-Jones was injured in the incident. He suffered a broken nose and whiplash that caused impairment and for which he was required to seek medical attention.

94. On May 31, 2014, Plaintiff Brittany Taylor was a passenger in a 2001 Chevrolet Impala. The Plaintiff's vehicle lost power due to the defective ignition switch when she swerved to miss a semi crossing over into her lane. The vehicle also lost power steering and brakes and the Plaintiff was unable to avoid hitting a median head on.

95. Plaintiff Brittany Taylor was injured in the incident. She suffered neck, back and head injury that caused impairment and for which she was required to seek medical attention.

96. On October 13, 2010, Plaintiff Joyce Thompson was operating a 2006 Chevrolet Monte Carlo. Plaintiff's vehicle was proceeding on Taylor Road at the intersection of Sale Avenue

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in near Jefferson County, Louisville, Kentucky, when the vehicle was hit by an oncoming vehicle. Plaintiff's airbags did not deploy upon impact due to the defective ignition switch.

97. Plaintiff Joyce Thompson was injured in the incident. She suffered injuries to her head, left knee and back that caused impairment and for which she was required to seek medical attention.

98. On March 5, 2012, Plaintiff Sandie Tupper was operating a 2011 Chevrolet Impala. Plaintiff was coming around a curve near Acadia Parish, Crowley, Louisiana when her vehicle went over some gravel. Plaintiff attempted to correct the vehicle; it lost power due to the defective ignition switch causing the vehicle to hit a canal head on.

99. Plaintiff Sandie Tupper was injured in the incident. She suffered injuries to her skull and spine that caused impairment and for which she was required to seek medical attention.

100. On May 16, 2012, Plaintiff Melissa Whitehead was operating a 2011 Chevrolet Impala, Vehicle Identification Number 2G1WG5EK9B1121445. Plaintiff was traveling in Jefferson County, near Louisville, Kentucky when the vehicle lost power due to the defective ignition switch. Plaintiff's vehicle also lost power steering and brakes and the Plaintiff was unable to avoid hitting a parked vehicle.

101. Plaintiff Melissa Whitehead was injured in the incident. She suffered injuries to her head, mouth, back, and shoulder that caused impairment and for which she was required to seek medical attention.

102. On March 28, 2012, Rickie Flanery was operating a 2002 Chevrolet Impala, Vehicle Identification Number 2G1WF52E329191137. Mr. Flanery swerved to avoid an animal while traveling westbound on Kentucky – 8, Lewis County, Garrison, Kentucky. His vehicle shut off due to the defective ignition switch causing the driver to lose control in turn causing the vehicle

# 09-500226-1eg4-10ot 23493 WF Filed 10/08/115/34 Entered 10/08/11/5513105 5519 Example 15 Pg 49 of 55

to flip three times and eject the driver.

103. Rickie Flanery suffered a fatal injury in the accident.

104. Plaintiff Anthony Flanery, as Administrator of the Estate of Richie Flanery respectfully brings this action on behalf of the Estate of his late brother.

105. On October 25, 2013 Shon Wilson was a passenger in a 2004 Monte Carlo, Vehicle identification Number 2G1WX12KX49283683. The vehicle in which Mr. Wilson was riding was traveling northbound on Coleman when the vehicle veered off the roadway hitting a dirt embankment and rolling into a tree. The vehicle in which Mr. Wilson was riding in lost power steering and brakes due to the defective ignition switch.

106. Shon Wilson suffered a fatal injury in the accident.

107. Plaintiff Marilyn Wilson, the mother of Shon Wilson respectfully brings this action on behalf of the estate of Shon Wilson, and individually as a wrongful death beneficiary.

# VI. CAUSES OF ACTION

#### A. Strict Product Liability

108. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

109. GM manufactured Plaintiffs' vehicles. GM has admitted publicly, through its recall of the Subject Vehicles that Plaintiffs' vehicles contained a defect – namely the faulty ignition switch described above. In addition to GM's admission (through the recall and elsewhere) of the existence of the defective Ignition Switch, several studies have concluded that the Ignition Switch at issue is defective, results in "moving stalls," and airbag non-deployment in crashes.<sup>1</sup>

See, e.g. Indiana Transportation Research Center Report, April 25, 2007, GMNTHSA000223985; Keith A. Young, Technical Reconstruction Unit, Wisconsin State Patrol Academy, Collision Analysis & Reconstruction Report Feb. 14, 2007 at GMNTHSA000284395; Erin Shipp's Engineer Report at GMNHTSA000309665.

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110. The ignition switch was a substantial factor in bringing about Plaintiffs accidents and resulting injuries; the defective switch also prevented the airbags from deploying.

111. At all times relevant to this action, Plaintiffs were using their vehicles in a proper and foreseeable manner and as it was intended by Defendant to be used when Defendant designed, manufactured, marketed, warranted, and sold the vehicle. Plaintiffs' vehicles had not been substantially modified or altered from the condition in which he bought it until the time of the incident that forms the basis of this suit.

112. Plaintiffs could not, through the exercise of reasonable care, have discovered the defect in the Ignition Switch and perceived its danger, nor could they have, through the exercise of reasonable care, avoided the incidents that caused their injuries.

113. Upon information and belief, the defective component was manufactured as it was designed – a design that relied exclusively on GM's approval of the component's performance. According to the Valukas Report, the design itself was so far below GM's specifications that it failed to keep Plaintiff's vehicles powered on during the normal conditions they encountered on the dates of the incidents.

114. GM marketed Plaintiff's vehicles, the Subject Vehicles, and Ignition Switches that were designed so that they were not reasonably safe in that they rendered the Subject Vehicles uncontrollable and prevented airbag deployment in a crash. The design of the Ignition Switches and Subject Vehicles was such that the utility of those products did not outweigh the danger of their introduction into the stream of commerce.

115. At the time the Subject Vehicles and the Ignition Switches were produced, there existed, and GM was aware of, cost-effective safer alternative designs that were both feasible and would have made the Subject Vehicles and Ignition Switches safer. Moreover, the safer alternative

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design would not have impaired the usefulness of the Ignition Switches and Subject Vehicle. In fact, the solution was as simple as using a longer spring, which GM ultimately did in 2006.

116. These design defects were the producing and proximate cause of Plaintiff's accidents and resulting injuries.

117. Defendant also failed to warn the public and Plaintiffs specifically, of the inherent defects in the Subject Vehicles, the Ignition Switches, and Plaintiffs cars specifically. Defendant did not inform the public of these life-threatening defects until 2014. Had Defendant warned Plaintiffs that their vehicles they were driving could experience a "moving stall" during normal operations and/or that the airbags would not deploy in a crash, Plaintiffs would not have bought or continued to operate their vehicles in that defective condition. Defendant's failure to warn Plaintiffs regarding the true capabilities, defects, and limitations of their vehicles were the producing and proximate cause of Plaintiffs incidents and resulting injuries.

118. Defendant knew, or through the exercise of reasonable care, should have known of the defects, capabilities, and limitations of the Subject Vehicles and the Ignition Switches during intended and foreseeable use. This fact has been borne out in the Valukas Report and will doubtlessly be bolstered during discovery in this case. The mounting evidence makes it clear that, not only was Defendant aware of these defects, they were consciously indifferent to the high risk of grievous harm attendant to the "ignition switch from hell." Defendant gave no warning, much less an adequate warning, that the Subject Vehicles could experience a "moving stall" or that the airbags would fail to deploy as they should. The only adequate warning Defendant could have possibly given would have been to direct consumers to immediately cease to operate the Subject Vehicles. Defendant eventually recalled the Subject Vehicles, but much too late to be of any help to Plaintiffs.

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# B. Negligence

119. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

120. Defendant owed a duty of care to the public and to Plaintiffs specifically, to design, manufacture, market, warrant, and sell vehicles that were free from dangerous defects and that were capable of being operated safely during normal and foreseeable use.

121. Moreover, Defendant was required by a host of state and federal regulations to design, manufacture, market, warrant, and sell vehicles that were free from dangerous defects and that were capable of being operated safely during normal and foreseeable use.

122. Defendant had a duty to timely discover and remedy defects in the Subject Vehicles, and in Plaintiff's vehicles specifically, that rendered them abnormally dangerous during normal and foreseeable use.

123. Defendant breached the above-cited duties in at least the following respects:

- a. Failing to design an ignition switch that maintained a vehicle in an operational condition during normal and foreseeable use of the vehicles;
- b. Failing to discover defects in the Subject Vehicles, and in Plaintiff's vehicles specifically, in a timely manner;
- c. Marketing and selling vehicles that could, and did, experience "moving stalls" during normal and foreseeable use;
- Failing to warn the public, and Plaintiffs specifically, that the Subject Vehicles could and did experience "moving stalls" during normal and foreseeable use of the vehicles;
- e. Failing to warn the public, and Plaintiffs specifically, that the Subject

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Vehicles could and did experience airbag non-deployment during crashes in which the airbags should deploy;

- f. Failing to implement proper surveillance procedures to identify, track, and account for incidents related to the failure of the Ignition Switches;
- Ignoring incidents and reports that would have led a reasonable manufacturer of vehicles and components to recall and/or remedy defects in the Subject Vehicles;
- h. Allowing vehicles to be placed in the stream of commerce that Defendant knew or should have known suffered from potentially deadly defects; and
- i. Failing to timely recall the Subject Vehicles when it became apparent, or should have been apparent through the exercise of reasonable care and/or diligence, that crashes were being caused and exacerbated by the faulty Ignition Switches.

124. Defendant's breaches of duty in both common law and statute were the producing and proximate cause of the incident at issue and Plaintiff's damages. Plaintiffs belonged to the class of persons meant to be protected by the state and federal regulations breached by Defendant.

## C. Gross Negligence

125. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

126. The evidence referenced in this Complaint and the mounting evidence regarding the recent recalls of millions of defective GM vehicles makes it clear that Defendant is guilty of exceptional misconduct. GM was issued, and agreed to, a record fine by the U.S. Department of Transportation's National Highway Traffic Safety Administration. Defendant has been aware for

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more than a dozen years that the ignition switches in the Subject Vehicles were grossly inadequate and subjected the driving public to a grave risk of grievous harm. Producing and marketing vehicles that are subject to complete system failures at highway speeds is akin to launching millions of torpedoes onto American streets and highways – with unsuspecting consumers inside. Defendant knew about the problem for years and, because of greed and/or gross ineptitude, refused to act on the problem. Instead, Defendant gave the issue the "GM nod." The "GM nod" demonstrates that more than one of Defendant's superior officers in the course of employment ordered, ratified, and/or participated in the malicious conduct. These officers acted maliciously, wantonly, and/or recklessly, and clearly the Defendant is guilty of exceptional misconduct and gross negligence. Plaintiffs demand punitive damages for this conduct.

#### VII. DAMAGES

127. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

128. Plaintiffs, as a result of the liability of Defendant described above, have suffered and make claims for reasonable and necessary medical expenses incurred as a result of the incident made basis of these suits in the past and future, past and future pain and suffering, lost wages and earning capacity in the past, disfigurement in the past and future, impairment in the past and future and exemplary damages.

#### VIII. CONCLUSION AND PRAYER

129. Defendant has only recently admitted publically its wrongdoing – albeit not to the full extent and not in time to prevent Plaintiff's injuries – but it admitted wrongdoing nonetheless. As the evidence mounts about what was known and when, it is becoming inescapably clear that Defendant needs to be punished and the victims they have injured need to be compensated. The

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law is powerless to remedy the harms Defendant has caused through its negligent, reckless, and malicious conduct – we cannot restore life or limb. However, justice must be done to the extent we are able, and Plaintiffs demand that Defendant answer for its acts and omissions that led to Plaintiffs damages and be required to pay compensatory and exemplary damages to the full extent allowed by law.

130. WHEREFORE, PREMISES CONSIDERED, Plaintiffs respectfully request Defendant be cited, tried by jury, and, upon verdict in Plaintiffs favor, Judgment be entered against Defendant for:

- a. Actual damages within the jurisdictional limits of this Court;
- b. Property damage and loss;
- c. Exemplary damages to the full extent permitted by law;
- d. Attorney's fees;
- e. Costs of suit;
- f. Pre- and Post-Judgment Interest at the maximum recoverable level; and
- g. All other relief to which the Plaintiff's show themselves justifiably entitled.

Respectfully submitted,

Dated: September 30, 2015

#### THE POTTS LAW FIRM, LLP

By: /s/ Eric G. Jensen\_

Eric G. JensenMO# 43094Derek H. PottsNY #44882The Potts Law Firm, LLP1901 W. 47th Place, Suite 210Westwood, KS 66205(816) 931-2230 (telephone)(816) 817-0478 (facsimile)

# **ATTORNEYS FOR PLAINTIFFS**

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# **EXHIBIT 5**

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# UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

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# IN RE:

# GENERAL MOTORS LLC IGNITION SWITCH LITIGATION

14-MD-2543 (JMF)

This Document Relates to:

Case No. <u>1:14-cv-09469-JMF</u>

-----X

# MARNY CARROLL

PLAINTIFF,

V.

GENERAL MOTORS, LLC, DELPHI AUTOMOTIVE PLC, DPH-DAS LLC f/k/a DELPHI AUTOMOTIVE SYSTEMS, LLC.

# DEFENDANTS

-----X

# MOTION FOR LEAVE TO FILE FIRST AMENDED COMPLAINT

COMES NOW Plaintiff, by counsel, and hereby moves the Court for leave to file her First Amended Complaint in order to comply with rulings of the Bankruptcy Court. As grounds for this Motion, Plaintiff states as follows:

- 1. Plaintiff's original Complaint, included claims for damages potentially related to prebankruptcy conduct of "Old GM," among other claims.
- 2. On June 1, 2015, and as amended by a September 3, 2015 scheduling order, the United States Bankruptcy Court for the Southern District of New York has determined that certain claims, related to vehicles manufactured by Motors Liquidation Company (Old GM), cannot be maintained against General Motors LLC (New GM). See, In re: MOTORS LIQUIDATION COMPANY, et al., f/k/a General Motors Corp., et al., Case No. 09-50026 (REG)
- 3. On September 24, 2015, this Court entered Order No. 81 to streamline the amendment process. In accordance with this order, Plaintiff has attached hereto a redline version of the original complaint as Exhibit A and a Proposed Amended Petition as Exhibit B.

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WHEREFORE, Plaintiff respectfully requests that this Court enter an Order directing the filing of tendered Proposed Amended Petition.

Respectfully submitted,

# Dated: September 30, 2015

# THE POTTS LAW FIRM, LLP

By: /s/ Eric G. Jensen\_

Eric G. JensenMO# 43094Derek H. PottsNY #44882The Potts Law Firm, LLP1901 W. 47th Place, Suite 210Westwood, KS 66205(816) 931-2230 (telephone)(816) 817-0478 (facsimile)

# **ATTORNEYS FOR PLAINTIFFS**

# IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA

MARNY CARROLL	§
PLAINTIFF,	§
V	8 8
••	s §
GENERAL MOTORS, LLC,	§
DELPHI AUTOMOTIVE PLC,	§
DPH-DAS LLC f/k/a DELPHI AUTOMOTIVE	§
SYSTEMS, LLC.	§

Civil Action File No. \_\_\_\_\_

JURY TRIAL DEMANDED

# **ORIGINAL COMPLAINT**

COMES NOW Plaintiff, through undersigned counsel, and for cause of action respectfully shows as follows:

# I. PRELIMINARY STATEMENT

1. Plaintiff's causes of action are brought against GENERAL MOTORS LLC ("New GM"), DELPHI AUTOMOTIVE PLC; and DPH-DAS LLC f/k/a DELPHI AUTOMOTIVE SYSTEMS, LLC. Plaintiff does not assert any causes of action against General Motors Corporation ("Old GM"). The incident at issue in this case occurred after the Old GM bankruptcy, which is discussed briefly below. The subject vehicle has been recalled by General Motors LLC, and New GM is strictly liable for the incident.

2. While at times this Complaint references acts and omissions by Old GM, these references are for background purposes only. Although Old GM arguably ceased to exist pursuant to the June 26, 2009 Amended and Restated Master Sale and Purchase Agreement wherein New GM acquired certain Old GM assets. That Amended and Restated Master Sale and Purchase Agreement was approved on July 10, 2009. In that Agreement, New GM expressly agreed to accept responsibility for product liability claims that arose from accidents or incidents

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occurring on or after July 10, 2009. The incident that forms the basis of Plaintiff's claims occurred after July 10, 2009.

3. While New GM expressly accepted responsibility for accidents occurring on or after July 10, 2009, it also acquired knowledge of Old GM's activities generally, and the existence of the defective ignition switch in place in millions of vehicles specifically. New GM acquired personnel from Old GM, including but not limited to, top leadership personnel, executives, members of the Board of Directors, internal legal counsel, engineers and quality control personnel. These employees carried with them the knowledge they gained at Old GM to New GM. New GM also acquired knowledge about the issues with the ignition switch, moving stalls and airbag non-deployment through documents and reports to the Board of Directors and others. New GM continued to service – and receive complaints about – vehicles manufactured on Old GM's watch. While the change from Old GM to New GM certainly had some legal effect with regard to creditors, it had little practical effect relative to the problems with, and knowledge of, the ignition-switch defect.

4. New GM also acquired certain duties with regard to vehicles in production and on the road at the time of the Sale and Purchase Agreement – duties it breached egregiously – as has been well-publicized and for which it has been justifiably criticized. These duties included, but are not limited to, those arising under the National Traffic and Motor Vehicle Safety Act, 49 U.S.C. § 30101 *et. seq.* and the Transportation Recall Enhancement, Accountability and Documentation Act, 49 U.S.C. §§ 30101 – 30170. GM was fined \$35 Million by NTSHA for its delayed reporting of the ignition switch problem and violating federal safety laws. New GM's liability for damages is attributable to its own post-sale conduct and failure to timely remedy and/or recall vehicles it knew had deadly defects, even with regard to vehicles manufactured and sold prior to the Sale

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and Purchase Agreement. Plaintiff's case is a prime example of liability and gross negligence that is inarguably attributable solely to New GM, as is shown below.

# II. INTRODUCTION

5. At the time of this filing, more than 12,000,000 GM vehicles have been recalled because of a defective ignition switch. Hundreds, if not thousands, of accidents are now known to have been caused by vehicles losing power and control because the defective ignition switch turned from "on" to "off" during normal and foreseeable operation. When the ignition switch fails, drivers are unable to use their steering and brakes in an effective manner. The resulting loss of control, or "moving stall," and subsequent accidents are exacerbated by the fact that the defective ignition switch also prevents life-saving airbags from deploying. So, in addition to causing accidents, the defective part makes the resulting damages even greater. As used in this Complaint, the "Subject Vehicles" refers to the GM vehicles manufactured, upon information and belief, on the certain "platforms," including but not limited to the "Delta" and "Kappa" platforms, sold in the United States, equipped at the time of sale with ignition switches (the "Ignition Switches"), and sharing a common defective design, including the following makes and model years:

# **Buick:**

- Lacrosse (2005 2009)
- Lucerne (2006 2011)

# **Cadillac:**

- CTS (2003 2014)
- Deville (2000 2005)
- DTS (2006 2011)
- SRX (2004 2006)

# **Chevrolet:**

- Camaro (2010 2014)
- Cobalt (2005 2010)
- HHR (2006 2011)
- Impala (2000 2014)
- Malibu (1997 2005)

Carroll v. GM, et al

• Monte Carlo (2000 – 2007)

# **Oldsmobile:**

- Alero (1999 2004)
- Intrigue (1998 2002)

# **Pontiac:**

- G5 (2007 2010)
- Grand Am (1999 2005)
- Grand Prix (2004 2008)
- Solstice (2006 2010)

# Saturn:

- Ion (2003 2007)
- Sky (2007 2010)

6. Plaintiff's 2007 Pontiac Grand Prix is included in the above-listed "Subject Vehicles" and contained the defective Ignition Switch that is the subject of the 2014 GM ignition switch recalls. Plaintiff's vehicle, which bears the VIN number 2G2WR554X71211038, was in substantially the same condition as when it left the manufacturer and contained a defective ignition switch that was the proximate and producing cause of the incident at issue and Plaintiff's resulting injuries and damages.

7. According to the recently published "Report to the Board of Directors of General Motors Company Regarding Ignition Switch Recalls" authored by Anton R. Valukas ("The Valukas Report"), GM made a conscious decision, in the fall of 2002, to use an ignition switch in the Subject Vehicles "that was so far below GM's own specifications that it failed to keep the car powered on in circumstances that drivers would encounter." Although the switch's inability to keep the car powered on during normal and foreseeable use of the subject vehicles "were known within GM's engineering ranks at the earliest stages of its [the switch's] production," GM ignored the safety risks attendant to these "moving stalls." These risks include, but are not limited to, sudden failure of: power steering, anti-lock brakes, electronic stability control, lane departure

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warnings, navigation systems, and airbag deployment. These sudden system failures made the Subject Vehicles impossible to control and, once the inevitable accident occurred, left the driver and passengers without life-saving airbags.

8. Apparently, GM viewed the defective ignition switches as a convenience issue as opposed to a safety issue and, inexplicably, failed to link the power failure with a failure to allow airbags to deploy in a resulting accident.

9. Also according to The Valukas Report:

"While GM heard over and over from various quarters – including customers, dealers, the press and their own employees – that the car's ignition switch led to moving stalls, group after group and committee after committee within GM that reviewed the issue failed to take action or acted too slowly. Although everyone had responsibility to fix the problem, nobody took responsibility. It was an example of what one top executive described as the "GM nod," when everyone nods in agreement to a proposed plan of action, but then leave the room and does nothing."

10. According to documents obtained by a House of Representatives Committee during an investigation into the Defective Ignition Switches, GM opened an engineering inquiry about the defective Ignition Switch in 2004 after customers complained that the Subject Vehicles could be turned off while driving. Also according to those documents, the Cobalt program engineer rejected a proposal to change the Ignition Switch claiming that the part was too expensive and the change would take too much time – after he experienced the same problem while performing a test drive of a Cobalt. The cost that the project engineer found intolerably high was less than one dollar per vehicle. GM continued using the switches in vehicles, as evidenced by the year models of the recalled Subject Vehicles, until 2013 and installed the switches it knew to be defective into 2014 model-year vehicles. GM put millions of live at risk to save a dollar, literally.

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11. Although GM was aware (after the Purchase and Sale Agreement with Old GM) of the problem with the switches, the link between the defect and airbag non-deployment, hundreds of accidents, and dozens of acknowledged deaths attributable to the defective ignition switches, GM did not even begin recalling the Subject Vehicles until 2014. Not even the solution is attributable to GM – it was a plaintiff attorney's investigator that finally disassembled the defective part and discovered the problem that GM had been incapable of discovering for a dozen years.

12. Instead of accepting the defects in the Subject Vehicles and Ignition Switches as real safety issues, GM publically denied that either was a problem. Instead of working to identify and correct the problem, GM, its directors, engineers and counsel devoted their efforts to minimizing the perceived frequency and pervasiveness of the problems. Instead of accepting responsibility for the incidents and tragedy it caused, Defendants focused on "defending the brand" and public relations. Defendants knew, or in the exercise of the most basic diligence, should have known that a defect that causes system-wide failure of key components presented a significant safety risk to the public.

13. As a result of GM's negligent, reckless, and malicious conduct, Plaintiff owned and operated a vehicle with a defective ignition switch, described by the designing engineer as "the switch from hell." As Plaintiff was driving her vehicle in Washington D.C. on November 11, 2011 a car cut in front of her. Her vehicle experienced a "moving stall" that prevented her from steering or stopping her car, which made it impossible to avoid the collision. She collided with the other vehicle and suffered serious injuries. And, because her ignition switch was in the "accessory" or "off" position, her airbags failed to deploy, exacerbating her injuries. But-for the defective ignition switch, the incident would not have occurred, and Plaintiff would not have been

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injured.

## III. PARTIES

# 14. Plaintiff Marny Carroll is a resident of Washington, D.C.

15. Defendant General Motors LLC ("New GM") is a Delaware limited liability company with its principal place of business at 300 Renaissance Center, MC: 482-C14-C66, Detroit, Michigan 48265 and may be served with process through service on its designated agent for service of process, Corporation Service Company, 1090 Vermont Ave. NW, Washington, DC 20005. At all times relevant herein, General Motors Corporation and its successor in interest GENERAL MOTORS LLC were engaged in the business of designing, manufacturing, constructing, assembling, marketing, warranting, distributing, selling, leasing, and servicing automobiles, including the Subject Vehicle, as described in this Complaint, and other motor vehicles and motor vehicle components throughout the United States. General Motors LLC has sufficient contacts with Washington, D.C., such that under the Washington D.C. Long-Arm Statute, *D.C. Code Ann. § 13-423 et. seq.* it is subject to, and has submitted to, the jurisdiction of this Court.

16. Defendant DELPHI AUTOMOTIVE PLC ("Delphi") is headquartered in Gillingham, Kent, United Kingdom, and is the parent company of Delphi Automotive Systems LLC, which is headquartered in Troy, Michigan. Delphi does business in the District of Columbia, and can be served via its Registered Agent at The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, DE 19801. Delphi has sufficient contacts with Washington, D.C., such that under the Washington D.C. Long-Arm Statute, *D.C. Code Ann. § 13-423 et. seq.* it is subject to, and has submitted to, the jurisdiction of this Court. Upon information and belief, at all times relevant herein, Delphi, through its various entities, designed, manufactured,

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and supplied GM with motor vehicle components, including the ignition switches contained in the Subject Vehicles.

17. DPH-DAS LLC f/k/a Delphi Automotive Systems, LLC ("Delphi") is a Michigan corporation with its headquarters in Troy, Michigan. Delphi does business in the District of Columbia and can be served via its Registered Agent at The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, DE 19801. Delphi has sufficient contacts with Washington, D.C., such that under the Washington D.C. Long-Arm Statute, *D.C. Code Ann. § 13-423 et. seq.* it is subject to, and has submitted to, the jurisdiction of this Court. Upon information and belief, at all times relevant herein, Delphi, through its various entities, designed, manufactured, and supplied GM with motor vehicle components, including the ignition switches contained in the Subject Vehicles.

# IV. JURISDICTION AND VENUE

18. Jurisdiction is proper in the United States District Court for the District of Columbia because there exists complete diversity of the parties pursuant to 28 U.S. Code §1332 and the matter in controversy exceeds \$75,000, exclusive of interest and costs.

19. Venue is proper in the United States District Court for the District of Columbia pursuant to 28 U.S. Code §1391 (b)(2) because a substantial part of the events or omissions giving rise to this claim occurred in this Judicial District and Defendants are subject to the Court's personal jurisdiction.

#### V. CAUSES OF ACTION

#### A. Strict Product Liability

20. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

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21. GM manufactured Plaintiff's vehicle. GM has admitted publically, through its recall of the Subject Vehicles that Plaintiff's vehicle contained a defect – namely the faulty ignition switch described above. In addition to GM's admission (through the recall and elsewhere) of the existence of the defective Ignition Switch, several studies have concluded that the Ignition Switch at issue is defective, results in "moving stalls," and airbag non-deployment in crashes.<sup>1</sup>

22. The ignition switch was a substantial factor in bringing about Plaintiff's accident and resulting injuries. Not only did the ignition switch render the car uncontrollable and cause the incident, but the defective switch also prevented the airbags from deploying.

23. At all times relevant to this action, Plaintiff was using her vehicle in a proper and foreseeable manner and as it was intended by Defendants to be used when Defendants designed, manufactured, marketed, warranted, and sold the vehicle. Plaintiff's vehicle had not been substantially modified or altered from the condition in which she bought it until the time of the incident that forms the basis of this suit.

24. Plaintiff could not, through the exercise of reasonable care, have discovered the defect in the Ignition Switch and perceived its danger, nor could she have, through the exercise of reasonable care, avoided the incident that caused her injuries.

25. Upon information and belief, the defective component was manufactured to the specification to which it was designed. According to the Valukas Report, the design itself was so far below GM's specifications that it failed to keep Plaintiff's vehicle powered on during the normal conditions she encountered on the day of the incident.

26. GM marketed Plaintiff's vehicle, the Subject Vehicles, and Ignition Switches that

See, e.g. Indiana Transportation Research Center Report, April 25, 2007, GMNTHSA000223985; Keith A. Young, Technical Reconstruction Unit, Wisconsin State Patrol Academy, Collision Analysis & Reconstruction Report Feb. 14, 2007 at GMNTHSA000284395; Erin Shipp's Engineer Report at GMNHTSA000309665.
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were designed so that they were not reasonably safe in that they rendered the Subject Vehicles uncontrollable and prevented airbag deployment in a crash. The design of the Ignition Switches and Subject Vehicles was such that the utility of those products did not outweigh the danger of their introduction into the stream of commerce.

27. At the time the Subject Vehicles and the Ignition Switches were produced, there existed, and GM was aware of, cost-effective safer alternative designs that were both feasible and would have made the Subject Vehicles and Ignition Switches safer. Moreover, the safer alternative design would not have impaired the usefulness of the Ignition Switches and Subject Vehicle.

28. These design defects were the producing and proximate cause of Plaintiff's accident and resulting injuries.

29. Defendants also failed to warn the public, and Plaintiff specifically, of the inherent defects in the Subject Vehicles, the Ignition Switches, and Plaintiff's car specifically. Defendants did not inform the public of these life-threatening defects until 2014 – after Plaintiff's accident. Had Defendants warned Plaintiff that the vehicle she was driving could experience a "moving stall" during normal operations and/or that the airbags would not deploy in a crash, Plaintiff would not have bought or continued to operate her vehicle in that defective condition. Defendants' failure to warn Plaintiff regarding the true capabilities, defects, and limitations of her vehicle was the producing and proximate cause of Plaintiff's incident and resulting injuries.

30. Defendants knew, or through the exercise of reasonable care, should have known of the defects, capabilities, and limitations of the Subject Vehicles and the Ignition Switches during intended and foreseeable use. This fact has been borne out in the Valukas Report and will doubtlessly be bolstered during discovery in this case. The mounting evidence makes it clear that, not only were Defendants aware of these defects, they were consciously indifferent to the high risk

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of grievous harm intendant to the "ignition switch from hell." Defendants gave no warning, much less an adequate warning, that the Subject Vehicles could experience a "moving stall" or that the airbags would fail to deploy as they should. The only adequate warning Defendants could possibly have given would have been to direct consumers to immediately cease to operate the Subject Vehicles. Defendants eventually recalled the Subject Vehicles, but much too late to be of any help to Plaintiff.

B. Negligence

31. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

32. Defendants owed a duty of care to the public, and to Plaintiff specifically, to design, manufacture, market, warrant, and sell vehicles that were free from dangerous defects and that were capable of being operated safely during normal and foreseeable use.

33. Moreover, Defendants were required by a host of state and federal regulations to design, manufacture, market, warrant, and sell vehicles that were free from dangerous defects and that were capable of being operated safely during normal and foreseeable use.

34. Defendants had a duty to timely discover and remedy defects in the Subject Vehicles, and in Plaintiff's vehicle specifically, that rendered them abnormally dangerous during normal and foreseeable use.

35. Defendants breached the above-cited duties in at least the following respects:

- a. Failing to design an ignition switch that maintained a vehicle in an operational condition during normal and foreseeable use of the vehicle;
- b. Failing to discover defects in the Subject Vehicles, and in Plaintiff's vehicle specifically, in a timely manner;

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- c. Marketing and selling vehicles that could, and did, experience "moving stalls" during normal and foreseeable use;
- Failing to warn the public, and Plaintiff specifically, that the Subject Vehicles could and did experience "moving stalls" during normal and foreseeable use of the vehicles;
- e. Failing to warn the public, and Plaintiff specifically, that the Subject Vehicles could and did experience airbag non-deployment during crashes in which the airbags should deploy;
- f. Failing to implement proper surveillance procedures to identify, track, and account for incidents related to the failure of the Ignition Switches;
- g. Ignoring incidents and reports that would have led a reasonable manufacturer of vehicles and components to recall and/or remedy defects in the Subject Vehicles;
- h. Allowing vehicles to be placed in the stream of commerce that Defendants knew or should have known suffered from potentially deadly defects; and
- i. Failing to timely recall the Subject Vehicles when it became apparent, or should have been apparent through the exercise of reasonable care and/or diligence, that crashes were being caused and exacerbated by the faulty Ignition Switches.

36. Defendants' breaches of duty in both common law and statute were the producing and proximate cause of the incident at issue and Plaintiff's damages. Plaintiff belonged to the class of persons meant to be protected by the state and federal regulations breached by Defendants.

#### C. Breach of Express and Implied Warranties; Deceptive Trade Practices

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37. The preceding paragraphs are hereby incorporated by reference as if set forth in full here. Plaintiff hereby brings suit pursuant, but not limited, to the District of Columbia D.C. Code § 28-3901 et. seq. "The D.C. Deceptive Trade Practices Act."

38. The incident in which Plaintiff was injured was caused by the defective Subject Vehicle and Ignition Switch as described herein. Plaintiff was a consumer who did, and reasonably could have been expected to, use and/or be affected by the Subject Vehicles. Plaintiff purchased the vehicle at issue in this case, and there existed privity of contract as that term is known at law.

39. The incident at issue occurred, and Plaintiff was injured, because her vehicle and ignition switch were defective, as described herein, in that they were not safe for normal and foreseeable use.

40. Defendants expressly and impliedly warranted that the Subject Vehicles would not shut off during normal and foreseeable use, that the Subject Vehicles could be safely operated during normal use, that the essential functions of the Subject Vehicles would remain operable during foreseeable use, and that the airbags would deploy in the case of a crash in which one would normally expect the airbags to deploy.

41. Because of the defects described herein, in various public reports, and as admitted by Defendants themselves, these (and other) express and implied warranties were breached by Defendants. The Subject Vehicles, and Plaintiff's vehicle specifically, were not fit for the ordinary purposes for which such vehicles are used nor were they fit for the specific purpose Defendants represented them to be useful for.

42. Defendants' acts and omissions were deceptive in that the Subject Vehicles and Ignition Switches were advertised and warranted to possess qualities, characteristics and protections that they did not, in fact, possess. The Subject Vehicles and Ignition Switches were

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represented to be of a particular standard, quality and grade, free from defects, of merchantable quality and fit for the purpose for which they were sold and they were not.

43. Defendants' breaches of warranty were the producing and proximate cause of the incident at issue and Plaintiff's damages.

**D.** Gross Negligence

44. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

45. The evidence referenced in this Complaint and the mounting evidence regarding the recent recalls of millions of defective GM vehicles makes it clear that Defendants are guilty of exceptional misconduct. GM was issued, and agreed to, a record fine by the U.S. Department of Transportation's National Highway Traffic Safety Administration. Defendants have been aware for more than a dozen years that the ignition switches in the Subject Vehicles were grossly inadequate and subjected the driving public to a grave risk of grievous harm. Producing and marketing vehicles that are subject to complete system failures at highway speeds is akin to launching millions of torpedoes onto American streets and highways – with unsuspecting consumers inside. Defendants knew about the problem for years and, because of greed and/or gross ineptitude, refused to act on the problem. Instead, Defendants gave the issue the "GM nod." The "GM nod" demonstrates that more than one of Defendants' superior officers in the course of employment ordered, ratified, and/or participated in the malicious conduct. These officers acted maliciously, wantonly, and/or recklessly, and clearly the Defendants are guilty of exceptional misconduct and gross negligence. Plaintiff demands punitive damages for this conduct.

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#### VI. DAMAGES

46. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

47. Plaintiff, as a result of the liability of Defendants described above, has suffered and makes claim for reasonable and necessary medical expenses incurred as a result of the incident made basis of this suit in the past and future, past and future pain and suffering, lost wages in the past, and exemplary damages. Plaintiff also demands statutory penalties be imposed pursuant to the D.C. Deceptive Trade Practices Act and attorney's fees.

#### VII. CONCLUSION AND PRAYER

48. Defendants have only recently admitted publically their wrongdoing – albeit not to the full extent and not in time to prevent Plaintiff's injuries – but they admitted wrongdoing nonetheless. As the evidence mounts about what was known and when, it is becoming inescapably clear that Defendants need to be punished and the victims they have injured need to be compensated. The law is powerless to remedy the harms Defendants have caused through their negligent, reckless, and malicious conduct – we cannot restore life or limb. However, justice must be done to the extent we are able, and Plaintiff demands that Defendants answer for their acts and omissions that led to Plaintiff's and be required to pay compensatory and exemplary damages to the full extent allowed by law.

49. WHEREFORE, PREMISES CONSIDERED, Plaintiff respectfully requests Defendants be cited, tried by jury, and, upon verdict in Plaintiff's favor, Judgment be entered against Defendants, jointly and severally, for:

a. Actual damages within the jurisdictional limits of this Court;

b. Property damage and loss;

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- c. Exemplary damages to the full extent permitted by law;
- d. Attorney's fees;
- e. Costs of suit;
- f. Pre- and Post-Judgment Interest at the maximum recoverable level; and
- g. All other relief to which the Plaintiff shows himself justifiably entitled.

Dated: November 5, 2014

Respectfully Submitted,

By: \_

Christopher T. Nidel, Esq. Washington Bar No. 497059 **NIDEL LAW, P.L.L.C**. 1615 New Hampshire Ave., N.W. Washington, D.C. 20009 202.558.2030 Voice

## HEARD ROBINS CLOUD LLP

Derek S. Merman Texas State Bar No. 24040110 2000 West Loop South, 22<sup>nd</sup> Floor Houston, Texas 77027 713.650.1200 Voice 713.650.1400 Facsimile *Attorneys for Plaintiff*  09-500236ereg14-Doot 0123493-30/FFiled 01.0/08/11543 Enderleide 110/08/05153:05355 1 @xhibit 5 Pg 20 of 34

# UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

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# IN RE:

**GENERAL MOTORS LLC IGNITION SWITCH LITIGATION** 

14-MD-2543 (JMF)

This Document Relates to:

Case No. <u>1:14-cv-09469-JMF</u>

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# MARNY CARROLL

PLAINTIFF,

V.

GENERAL MOTORS, LLC, DELPHI AUTOMOTIVE PLC, DPH-DAS LLC f/k/a DELPHI AUTOMOTIVE SYSTEMS, LLC.

# DEFENDANTS

# -----X

# **AMENDED COMPLAINT**

COMES NOW Plaintiff, through undersigned counsel, and for cause of action respectfully shows as follows:

# I. PRELIMINARY STATEMENT

1. Plaintiff's causes of action are brought against GENERAL MOTORS LLC ("New GM"), DELPHI AUTOMOTIVE PLC; and DPH-DAS LLC f/k/a DELPHI AUTOMOTIVE SYSTEMS, LLC. Plaintiff does not assert any causes of action against General Motors Corporation ("Old GM"). The incident at issue in this case occurred after the Old GM bankruptcy, which is discussed briefly below. The subject vehicle has been recalled by General Motors LLC, and New GM is strictly liable for the incident.

2. While at times this Complaint references acts and omissions by Old GM, these references are for background purposes only. Although Old GM arguably ceased to exist pursuant

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to the June 26, 2009 Amended and Restated Master Sale and Purchase Agreement wherein New GM acquired certain Old GM assets. That Amended and Restated Master Sale and Purchase Agreement was approved on July 10, 2009. In that Agreement, New GM expressly agreed to accept responsibility for product liability claims that arose from accidents or incidents occurring on or after July 10, 2009. The incident that forms the basis of Plaintiff's claims occurred after July 10, 2009.

3. While New GM expressly accepted responsibility for accidents occurring on or after July 10, 2009, it also acquired knowledge of Old GM's activities generally, and the existence of the defective ignition switch in place in millions of vehicles specifically. New GM acquired personnel from Old GM, including but not limited to, top leadership personnel, executives, members of the Board of Directors, internal legal counsel, engineers and quality control personnel. These employees carried with them the knowledge they gained at Old GM to New GM. New GM also acquired knowledge about the issues with the ignition switch, moving stalls and airbag non-deployment through documents and reports to the Board of Directors and others. New GM continued to service – and receive complaints about – vehicles manufactured on Old GM's watch. While the change from Old GM to New GM certainly had some legal effect with regard to creditors, it had little practical effect relative to the problems with, and knowledge of, the ignition-switch defect.

4. New GM also acquired certain duties with regard to vehicles in production and on the road at the time of the Sale and Purchase Agreement – duties it breached egregiously – as has been well-publicized and for which it has been justifiably criticized. These duties included, but are not limited to, those arising under the National Traffic and Motor Vehicle Safety Act, 49 U.S.C. § 30101 *et. seq.* and the Transportation Recall Enhancement, Accountability and Documentation

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Act, 49 U.S.C. §§ 30101 – 30170. GM was fined \$35 Million by NTSHA for its delayed reporting of the ignition switch problem and violating federal safety laws. New GM's liability for damages is attributable to its own post-sale conduct and failure to timely remedy and/or recall vehicles it knew had deadly defects, even with regard to vehicles manufactured and sold prior to the Sale and Purchase Agreement. Plaintiff's case is a prime example of liability and gross negligence that is inarguably attributable solely to New GM, as is shown below.

#### **II. INTRODUCTION**

5. At the time of this filing, more than 12,000,000 GM vehicles have been recalled because of a defective ignition switch. Hundreds, if not thousands, of accidents are now known to have been caused by vehicles losing power and control because the defective ignition switch turned from "on" to "off" during normal and foreseeable operation. When the ignition switch fails, drivers are unable to use their steering and brakes in an effective manner. The resulting loss of control, or "moving stall," and subsequent accidents are exacerbated by the fact that the defective ignition switch also prevents life-saving airbags from deploying. So, in addition to causing accidents, the defective part makes the resulting damages even greater. As used in this Complaint, the "Subject Vehicles" refers to the GM vehicles manufactured, upon information and belief, on the certain "platforms," including but not limited to the "Delta" and "Kappa" platforms, sold in the United States, equipped at the time of sale with ignition switches (the "Ignition Switches"), and sharing a common defective design, including the following makes and model years:

#### <u>Buick:</u>

- Lacrosse (2005 2009)
- Lucerne (2006 2011)

#### Cadillac:

- CTS (2003 2014)
- Deville (2000 2005)
- DTS (2006 2011)

• SRX (2004 – 2006)

# **Chevrolet:**

- Camaro (2010 2014)
- Cobalt (2005 2010)
- HHR (2006 2011)
- Impala (2000 2014)
- Malibu (1997 2005)
- Monte Carlo (2000 2007)

# **Oldsmobile:**

- Alero (1999 2004)
- Intrigue (1998 2002)

# **Pontiac:**

- G5 (2007 2010)
- Grand Am (1999 2005)
- Grand Prix (2004 2008)
- Solstice (2006 2010)

# Saturn:

- Ion (2003 2007)
- Sky (2007 2010)

6. Plaintiff's 2007 Pontiac Grand Prix is included in the above-listed "Subject Vehicles" and contained the defective Ignition Switch that is the subject of the 2014 GM ignition switch recalls. Plaintiff's vehicle, which bears the VIN number 2G2WR554X71211038, was in substantially the same condition as when it left the manufacturer and contained a defective ignition switch that was the proximate and producing cause of the incident at issue and Plaintiff's resulting injuries and damages.

7. According to the recently published "Report to the Board of Directors of General Motors Company Regarding Ignition Switch Recalls" authored by Anton R. Valukas ("The Valukas Report"), GM made a conscious decision, in the fall of 2002, to use an ignition switch in the Subject Vehicles "that was so far below GM's own specifications that it failed to keep the car powered on in circumstances that drivers would encounter." Although the switch's inability to

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keep the car powered on during normal and foreseeable use of the subject vehicles "were known within GM's engineering ranks at the earliest stages of its [the switch's] production," GM ignored the safety risks attendant to these "moving stalls." These risks include, but are not limited to, sudden failure of: power steering, anti-lock brakes, electronic stability control, lane departure warnings, navigation systems, and airbag deployment. These sudden system failures made the Subject Vehicles impossible to control and, once the inevitable accident occurred, left the driver and passengers without life-saving airbags.

8. Apparently, GM viewed the defective ignition switches as a convenience issue as opposed to a safety issue and, inexplicably, failed to link the power failure with a failure to allow airbags to deploy in a resulting accident.

9. Also according to The Valukas Report:

"While GM heard over and over from various quarters – including customers, dealers, the press and their own employees – that the car's ignition switch led to moving stalls, group after group and committee after committee within GM that reviewed the issue failed to take action or acted too slowly. Although everyone had responsibility to fix the problem, nobody took responsibility. It was an example of what one top executive described as the "GM nod," when everyone nods in agreement to a proposed plan of action, but then leave the room and does nothing."

10. According to documents obtained by a House of Representatives Committee during an investigation into the Defective Ignition Switches, GM opened an engineering inquiry about the defective Ignition Switch in 2004 after customers complained that the Subject Vehicles could be turned off while driving. Also according to those documents, the Cobalt program engineer rejected a proposal to change the Ignition Switch claiming that the part was too expensive and the change would take too much time – after he experienced the same problem while performing a test drive of a Cobalt. The cost that the project engineer found intolerably high was

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less than one dollar per vehicle. GM continued using the switches in vehicles, as evidenced by the year models of the recalled Subject Vehicles, until 2013 and installed the switches it knew to be defective into 2014 model-year vehicles. GM put millions of live at risk to save a dollar, literally.

11. Although GM was aware (after the Purchase and Sale Agreement with Old GM) of the problem with the switches, the link between the defect and airbag non-deployment, hundreds of accidents, and dozens of acknowledged deaths attributable to the defective ignition switches, GM did not even begin recalling the Subject Vehicles until 2014. Not even the solution is attributable to GM – it was a plaintiff attorney's investigator that finally disassembled the defective part and discovered the problem that GM had been incapable of discovering for a dozen years.

12. Instead of accepting the defects in the Subject Vehicles and Ignition Switches as real safety issues, GM publically denied that either was a problem. Instead of working to identify and correct the problem, GM, its directors, engineers and counsel devoted their efforts to minimizing the perceived frequency and pervasiveness of the problems. Instead of accepting responsibility for the incidents and tragedy it caused, Defendants focused on "defending the brand" and public relations. Defendants knew, or in the exercise of the most basic diligence, should have known that a defect that causes system-wide failure of key components presented a significant safety risk to the public.

13. As a result of GM's negligent, reckless, and malicious conduct, Plaintiff owned and operated a vehicle with a defective ignition switch, described by the designing engineer as "the switch from hell." As Plaintiff was driving her vehicle in Washington D.C. on November 11, 2011 a car cut in front of her. Her vehicle experienced a "moving stall" that prevented her from

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steering or stopping her car, which made it impossible to avoid the collision. She collided with the other vehicle and suffered serious injuries. And, because her ignition switch was in the "accessory" or "off" position, her airbags failed to deploy, exacerbating her injuries. But-for the defective ignition switch, the incident would not have occurred, and Plaintiff would not have been injured.

#### III. PARTIES

14. Plaintiff Marny Carroll is a resident of Washington, D.C.

15. Defendant General Motors LLC ("New GM") is a Delaware limited liability company with its principal place of business at 300 Renaissance Center, MC: 482-C14-C66, Detroit, Michigan 48265 and may be served with process through service on its designated agent for service of process, Corporation Service Company, 1090 Vermont Ave. NW, Washington, DC 20005. At all times relevant herein, General Motors Corporation and its successor in interest GENERAL MOTORS LLC were engaged in the business of designing, manufacturing, constructing, assembling, marketing, warranting, distributing, selling, leasing, and servicing automobiles, including the Subject Vehicle, as described in this Complaint, and other motor vehicles and motor vehicle components throughout the United States. General Motors LLC has sufficient contacts with Washington, D.C., such that under the Washington D.C. Long-Arm Statute, *D.C. Code Ann. § 13-423 et. seq.* it is subject to, and has submitted to, the jurisdiction of this Court.

16. Defendant DELPHI AUTOMOTIVE PLC ("Delphi") is headquartered in Gillingham, Kent, United Kingdom, and is the parent company of Delphi Automotive Systems LLC, which is headquartered in Troy, Michigan. Delphi does business in the District of Columbia, and can be served via its Registered Agent at The Corporation Trust Company, Corporation Trust

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Center, 1209 Orange Street, Wilmington, DE 19801. Delphi has sufficient contacts with Washington, D.C., such that under the Washington D.C. Long-Arm Statute, *D.C. Code Ann. § 13-423 et. seq.* it is subject to, and has submitted to, the jurisdiction of this Court. Upon information and belief, at all times relevant herein, Delphi, through its various entities, designed, manufactured, and supplied GM with motor vehicle components, including the ignition switches contained in the Subject Vehicles.

17. DPH-DAS LLC f/k/a Delphi Automotive Systems, LLC ("Delphi") is a Michigan corporation with its headquarters in Troy, Michigan. Delphi does business in the District of Columbia and can be served via its Registered Agent at The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, DE 19801. Delphi has sufficient contacts with Washington, D.C., such that under the Washington D.C. Long-Arm Statute, *D.C. Code Ann. § 13-423 et. seq.* it is subject to, and has submitted to, the jurisdiction of this Court. Upon information and belief, at all times relevant herein, Delphi, through its various entities, designed, manufactured, and supplied GM with motor vehicle components, including the ignition switches contained in the Subject Vehicles.

#### IV. JURISDICTION AND VENUE

18. Jurisdiction is proper in the United States District Court for the District of Columbia because there exists complete diversity of the parties pursuant to 28 U.S. Code §1332 and the matter in controversy exceeds \$75,000, exclusive of interest and costs.

19. Venue is proper in the United States District Court for the District of Columbia pursuant to 28 U.S. Code §1391 (b)(2) because a substantial part of the events or omissions giving rise to this claim occurred in this Judicial District and Defendants are subject to the Court's personal jurisdiction.

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# V. CAUSES OF ACTION

# A. Strict Product Liability

20. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

21. GM manufactured Plaintiff's vehicle. GM has admitted publically, through its recall of the Subject Vehicles that Plaintiff's vehicle contained a defect – namely the faulty ignition switch described above. In addition to GM's admission (through the recall and elsewhere) of the existence of the defective Ignition Switch, several studies have concluded that the Ignition Switch at issue is defective, results in "moving stalls," and airbag non-deployment in crashes.<sup>1</sup>

22. The ignition switch was a substantial factor in bringing about Plaintiff's accident and resulting injuries. Not only did the ignition switch render the car uncontrollable and cause the incident, but the defective switch also prevented the airbags from deploying.

23. At all times relevant to this action, Plaintiff was using her vehicle in a proper and foreseeable manner and as it was intended by Defendants to be used when Defendants designed, manufactured, marketed, warranted, and sold the vehicle. Plaintiff's vehicle had not been substantially modified or altered from the condition in which she bought it until the time of the incident that forms the basis of this suit.

24. Plaintiff could not, through the exercise of reasonable care, have discovered the defect in the Ignition Switch and perceived its danger, nor could she have, through the exercise of reasonable care, avoided the incident that caused her injuries.

25. Upon information and belief, the defective component was manufactured to the

<sup>&</sup>lt;sup>1</sup> See, e.g. Indiana Transportation Research Center Report, April 25, 2007, GMNTHSA000223985; Keith A. Young, Technical Reconstruction Unit, Wisconsin State Patrol Academy, Collision Analysis & Reconstruction Report Feb. 14, 2007 at GMNTHSA000284395; Erin Shipp's Engineer Report at GMNHTSA000309665.

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specification to which it was designed. According to the Valukas Report, the design itself was so far below GM's specifications that it failed to keep Plaintiff's vehicle powered on during the normal conditions she encountered on the day of the incident.

26. GM marketed Plaintiff's vehicle, the Subject Vehicles, and Ignition Switches that were designed so that they were not reasonably safe in that they rendered the Subject Vehicles uncontrollable and prevented airbag deployment in a crash. The design of the Ignition Switches and Subject Vehicles was such that the utility of those products did not outweigh the danger of their introduction into the stream of commerce.

27. At the time the Subject Vehicles and the Ignition Switches were produced, there existed, and GM was aware of, cost-effective safer alternative designs that were both feasible and would have made the Subject Vehicles and Ignition Switches safer. Moreover, the safer alternative design would not have impaired the usefulness of the Ignition Switches and Subject Vehicle.

28. These design defects were the producing and proximate cause of Plaintiff's accident and resulting injuries.

29. Defendants also failed to warn the public, and Plaintiff specifically, of the inherent defects in the Subject Vehicles, the Ignition Switches, and Plaintiff's car specifically. Defendants did not inform the public of these life-threatening defects until 2014 – after Plaintiff's accident. Had Defendants warned Plaintiff that the vehicle she was driving could experience a "moving stall" during normal operations and/or that the airbags would not deploy in a crash, Plaintiff would not have bought or continued to operate her vehicle in that defective condition. Defendants' failure to warn Plaintiff regarding the true capabilities, defects, and limitations of her vehicle was the producing and proximate cause of Plaintiff's incident and resulting injuries.

30. Defendants knew, or through the exercise of reasonable care, should have known

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of the defects, capabilities, and limitations of the Subject Vehicles and the Ignition Switches during intended and foreseeable use. This fact has been borne out in the Valukas Report and will doubtlessly be bolstered during discovery in this case. The mounting evidence makes it clear that, not only were Defendants aware of these defects, they were consciously indifferent to the high risk of grievous harm intendant to the "ignition switch from hell." Defendants gave no warning, much less an adequate warning, that the Subject Vehicles could experience a "moving stall" or that the airbags would fail to deploy as they should. The only adequate warning Defendants could possibly have given would have been to direct consumers to immediately cease to operate the Subject Vehicles. Defendants eventually recalled the Subject Vehicles, but much too late to be of any help to Plaintiff.

#### B. Negligence

31. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

32. Defendants owed a duty of care to the public, and to Plaintiff specifically, to design, manufacture, market, warrant, and sell vehicles that were free from dangerous defects and that were capable of being operated safely during normal and foreseeable use.

33. Moreover, Defendants were required by a host of state and federal regulations to design, manufacture, market, warrant, and sell vehicles that were free from dangerous defects and that were capable of being operated safely during normal and foreseeable use.

34. Defendants had a duty to timely discover and remedy defects in the Subject Vehicles, and in Plaintiff's vehicle specifically, that rendered them abnormally dangerous during normal and foreseeable use.

35. Defendants breached the above-cited duties in at least the following respects:

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- a. Failing to design an ignition switch that maintained a vehicle in an operational condition during normal and foreseeable use of the vehicle;
- b. Failing to discover defects in the Subject Vehicles, and in Plaintiff's vehicle specifically, in a timely manner;
- c. Marketing and selling vehicles that could, and did, experience "moving stalls" during normal and foreseeable use;
- Failing to warn the public, and Plaintiff specifically, that the Subject Vehicles could and did experience "moving stalls" during normal and foreseeable use of the vehicles;
- e. Failing to warn the public, and Plaintiff specifically, that the Subject Vehicles could and did experience airbag non-deployment during crashes in which the airbags should deploy;
- f. Failing to implement proper surveillance procedures to identify, track, and account for incidents related to the failure of the Ignition Switches;
- g. Ignoring incidents and reports that would have led a reasonable manufacturer of vehicles and components to recall and/or remedy defects in the Subject Vehicles;
- h. Allowing vehicles to be placed in the stream of commerce that Defendants knew or should have known suffered from potentially deadly defects; and
- Failing to timely recall the Subject Vehicles when it became apparent, or should have been apparent through the exercise of reasonable care and/or diligence, that crashes were being caused and exacerbated by the faulty Ignition Switches.

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36. Defendants' breaches of duty in both common law and statute were the producing and proximate cause of the incident at issue and Plaintiff's damages. Plaintiff belonged to the class of persons meant to be protected by the state and federal regulations breached by Defendants.

## C. Gross Negligence

37. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

38. The evidence referenced in this Complaint and the mounting evidence regarding the recent recalls of millions of defective GM vehicles makes it clear that Defendants are guilty of exceptional misconduct. GM was issued, and agreed to, a record fine by the U.S. Department of Transportation's National Highway Traffic Safety Administration. Defendants have been aware for more than a dozen years that the ignition switches in the Subject Vehicles were grossly inadequate and subjected the driving public to a grave risk of grievous harm. Producing and marketing vehicles that are subject to complete system failures at highway speeds is akin to launching millions of torpedoes onto American streets and highways – with unsuspecting consumers inside. Defendants knew about the problem for years and, because of greed and/or gross ineptitude, refused to act on the problem. Instead, Defendants gave the issue the "GM nod." The "GM nod" demonstrates that more than one of Defendants' superior officers in the course of employment ordered, ratified, and/or participated in the malicious conduct. These officers acted maliciously, wantonly, and/or recklessly, and clearly the Defendants are guilty of exceptional misconduct and gross negligence. Plaintiff demands punitive damages for this conduct.

#### VI. DAMAGES

39. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

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40. Plaintiff, as a result of the liability of Defendants described above, has suffered and makes claim for reasonable and necessary medical expenses incurred as a result of the incident made basis of this suit in the past and future, past and future pain and suffering, lost wages in the past, and exemplary damages.

## VII. CONCLUSION AND PRAYER

41. Defendants have only recently admitted publically their wrongdoing – albeit not to the full extent and not in time to prevent Plaintiff's injuries – but they admitted wrongdoing nonetheless. As the evidence mounts about what was known and when, it is becoming inescapably clear that Defendants need to be punished and the victims they have injured need to be compensated. The law is powerless to remedy the harms Defendants have caused through their negligent, reckless, and malicious conduct – we cannot restore life or limb. However, justice must be done to the extent we are able, and Plaintiff demands that Defendants answer for their acts and omissions that led to Plaintiff's and be required to pay compensatory and exemplary damages to the full extent allowed by law.

42. WHEREFORE, PREMISES CONSIDERED, Plaintiff respectfully requests Defendants be cited, tried by jury, and, upon verdict in Plaintiff's favor, Judgment be entered against Defendants, jointly and severally, for:

- a. Actual damages within the jurisdictional limits of this Court;
- b. Property damage and loss;
- c. Exemplary damages to the full extent permitted by law;
- d. Attorney's fees;
- e. Costs of suit;
- f. Pre- and Post-Judgment Interest at the maximum recoverable level; and

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g. All other relief to which the Plaintiff shows himself justifiably entitled.

Respectfully submitted,

Dated: September 30, 2015

# THE POTTS LAW FIRM, LLP

By: /s/ Eric G. Jensen\_\_\_\_

 Eric G. Jensen
 MO# 43094

 Derek H. Potts
 NY #44882

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# **ATTORNEYS FOR PLAINTIFFS**

09-50026-reg Doc 13493-6 Filed 10/08/15 Entered 10/08/15 13:05:55 Exhibit 6 Pg 1 of 50

# **EXHIBIT 6**

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# UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

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## IN RE: GENERAL MOTORS LLC IGNITION SWITCH LITIGATION

14-MD-2543 (JMF)

This Document Relates to:

Case No. <u>1:15-cv-02089-JMF</u>

-----Х

PAUL PATTERSON, ET AL PLAINTIFFS, V.

GENERAL MOTORS, LLC, DEFENDANT

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# MOTION FOR LEAVE TO FILE FIRST AMENDED COMPLAINT

COME NOW Plaintiffs, by counsel, and hereby move the Court for leave to file First Amended Complaint in order to comply with rulings of the Bankruptcy Court. As grounds for this Motion, Plaintiffs state as follows:

- 1. Plaintiffs' original Complaint, included claims for damages potentially related to prebankruptcy conduct of "Old GM," among other claims.
- 2. On June 1, 2015, and as amended by a September 3, 2015 scheduling order, the United States Bankruptcy Court for the Southern District of New York has determined that certain claims, related to vehicles manufactured by Motors Liquidation Company (Old GM), cannot be maintained against General Motors LLC (New GM). See, In re: MOTORS LIQUIDATION COMPANY, et al., f/k/a General Motors Corp., et al., Case No. 09-50026 (REG)
- 3. On September 24, 2015, this Court entered Order No. 81 to streamline the amendment process. In accordance with this order, Plaintiffs have attached hereto a redline version of the original complaint as Exhibit A and a Proposed Amended Petition as Exhibit B.

WHEREFORE, Plaintiffs respectfully request that this Court enter an Order directing the filing of tendered Proposed Amended Petition.

Dated: September 30, 2015

Respectfully submitted,

# THE POTTS LAW FIRM, LLP

By: /s/ Eric G. Jensen\_

 Eric G. Jensen
 MO# 43094

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# **ATTORNEYS FOR PLAINTIFFS**

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UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK		
	X	
IN RE:		
GENERAL MOTORS LLC IGNITION SWITCH LITIGATION		14-MD-2543 (JMF)
This Document Relates to:		Case No.
	X	
PAUL PATTERSON, ET AL	Complaint	

PAUL PATTERSON, ET AL PLAINTIFFS,

Jury Trial Demanded

V.

GENERAL MOTORS, LLC, DEFENDANT

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**ORIGINAL COMPLAINT** 

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COME NOW Plaintiffs, through undersigned counsel, and for cause of action respectfully shows as follows:

# I. PRELIMINARY STATEMENT

1. Plaintiffs were involved in accidents, and received injuries, in GM vehicles that have been recalled because of defective ignition switches. Each incident, explained below, was proximately caused by the failure of each Plaintiff's ignition switch and/or their injuries were exacerbated because the defective ignition switch prevented their airbag from deploying. All Plaintiffs were damaged and received personal injuries as a result of the defective ignition switch in their GM vehicles.

2. Plaintiffs' causes of action are brought against GENERAL MOTORS LLC ("New GM"). Plaintiffs do not assert any causes of action against General Motors Corporation ("Old GM"), although, in some cases, Old GM manufactured Plaintiffs' vehicles. The incidents at issue in this case occurred after the Old GM bankruptcy, which is discussed briefly below. The subject

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vehicles have been recalled by General Motors LLC, and New GM is strictly liable for the incident.

3. While at times this Complaint references acts and omissions by Old GM, these references are for background purposes only. Old GM arguably ceased to exist pursuant to the June 26, 2009 Amended and Restated Master Sale and Purchase Agreement wherein New GM acquired certain Old GM assets. That Amended and Restated Master Sale and Purchase Agreement was approved on July 10, 2009. In that Agreement, New GM expressly agreed to accept responsibility for product liability claims that arose from accidents or incidents occurring on or after July 10, 2009.

4. While New GM expressly accepted responsibility for accidents occurring on or after July 10, 2009, it also acquired knowledge of Old GM's activities generally, and the existence of the defective ignition switches in place in millions of vehicles specifically. New GM acquired personnel from Old GM, including but not limited to, top leadership personnel, executives, members of the Board of Directors, internal legal counsel, engineers and quality control personnel. Most importantly, New GM retained the engineer in charge of designing and approving the manufacturing specifications of the defective ignition switch. The employees retained by New GM carried with them the knowledge they gained at Old GM. New GM also acquired knowledge about the issues with the ignition switch, moving stalls and airbag non-deployment through the chief engineer, design and manufacturing documents, internal memorandum, and reports to the Board of Directors. New GM continued to service – and to receive complaints about – vehicles manufactured on Old GM's watch. While the change from Old GM to New GM arguably had some legal effect with regard to creditors who received notice of their rights, it had little practical effect relative to the problems with, and knowledge of, the ignition-switch defect.

5. New GM also acquired certain duties with regard to vehicles in production and on

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the road at the time of the Sale and Purchase Agreement – duties it breached egregiously – as has been well-publicized and for which it has been justifiably criticized. These duties included, but are not limited to, those arising under the National Traffic and Motor Vehicle Safety Act, 49 U.S.C. § 30101 *et. seq.* and the Transportation Recall Enhancement, Accountability and Documentation Act, 49 U.S.C. §§ 30101 – 30170. GM was fined \$35 Million by NTSHA for its delayed reporting of the ignition switch problem and violating federal safety laws. New GM's liability for damages is attributable to its own post-sale conduct and failure to timely remedy and/or recall vehicles it knew had deadly defects, even with regard to vehicles manufactured and sold prior to the Sale and Purchase Agreement. Plaintiffs' cases are a prime example of liability and gross negligence that is inarguably attributable solely to New GM, as is shown below.

# II. INTRODUCTION

6. At the time of this filing, more than 12,000,000 GM vehicles have been recalled because of a defective ignition switch. Hundreds, if not thousands, of accidents are now known to have been caused by vehicles losing power and control because the defective ignition switch turned from "on" to "off" during normal and foreseeable operation. When the ignition switch fails, drivers are unable to use their steering and brakes in an effective manner. The resulting loss of control, or "moving stall," and subsequent accidents are exacerbated by the fact that the defective ignition switch also prevents life-saving airbags from deploying. So, in addition to causing accidents, the defective part makes the resulting damages even greater. As used in this Complaint, the "Subject Vehicles" refers to the GM vehicles manufactured, upon information and belief, on the Delta Platform, sold in the United States, equipped at the time of sale with ignition switches (the "Ignition Switches"), and sharing a common defective design, including the following makes and model years:

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# **Buick:**

- Lacrosse (2005 2009)
- Lucerne (2006 2011)

# **Cadillac:**

- CTS (2003 2014)
- Deville (2000 2005)
- DTS (2006 2011)
- SRX (2004 2006)

# **Chevrolet:**

- Camaro (2010 2014)
- Cobalt (2005 2010)
- HHR (2006 2011)
- Impala (2000 2014)
- Malibu (1997 2005)
- Monte Carlo (2000 2007)

# **Oldsmobile:**

- Alero (1999 2004)
- Intrigue (1998 2002)

# **Pontiac:**

- G5 (2007 2010)
- Grand Am (1999 2005)
- Grand Prix (2004 2008)
- Solstice (2006 2010)

# <u>Saturn:</u>

- Ion (2003 2007)
- Sky (2007 2010)

7. Each of the vehicles driven by Plaintiffs is included in the above-listed "Subject Vehicles" and contained the defective Ignition Switch that is the subject of the 2014 GM ignition switch recalls. Plaintiffs' vehicles were in substantially the same condition as when each left the manufacturer and contained a defective ignition switch that, upon information and belief was the proximate and producing cause of the incident at issue and Plaintiffs' resulting injuries and damages.

8. The Ignition Switch that was approved by GM and installed in the GM Subject

Vehicles identified above, was one of several switches manufactured at GM's direction in 2001.

Each type of switch was manufactured, tested and evaluated by GM engineers prior to production. The switch that was ultimately selected by GM (the "Delta Switch") had a shorter spring in the detent plunger that gave it a smoother, more "European" feel. Another switch was identical to the Delta Switch in every respect except that it used a longer spring in the detent plunger. The longer spring increased the torque required to engage and disengage the ignition switch – it made it hard to turn the key in both directions. The longer spring also sacrificed the smooth feel that was so

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important to GM.

9. According to the recently published "Report to the Board of Directors of General Motors Company Regarding Ignition Switch Recalls" authored by Anton R. Valukas ("The Valukas Report"), GM made a conscious decision, in the fall of 2002, to use the Delta Switch in the Subject Vehicles "that was so far below GM's own specifications that it failed to keep the car powered on in circumstances that drivers would encounter." GM knew of, and approved, the final version of the Ignition Switch that was installed in millions of cars despite knowing that the force required to disengage the ignition switch was far below minimum specifications.

10. According to documents obtained by a United States House of Representatives committee during an investigation into the Defective Ignition Switches, GM opened an engineering inquiry about the defective Ignition Switch in 2004 after customers complained that the Subject Vehicles could be turned off while driving. Also according to those documents, the Cobalt program engineer rejected a proposal to change the Ignition Switch claiming that the part was too expensive and the change would take too much time – after he experienced the same problem while performing a test drive of a Cobalt. The cost that the project engineer found intolerably high was less than one dollar per vehicle.

11. The switch was eventually redesigned in 2006, although using the same part number as the Delta Switch. Remarkably, the solution to the torqueing problem had been present since 2001; all that needed to be done was use the longer spring that had already been tested in the design phase. No other changes were made to the switch and, aside from affecting the "European" feel of the switch, the new switch with the longer spring functioned capably. The longer spring also brought the ignition switch into spec with regard to torque force.

12. The decision to use the same part number meant that already-produced Delta

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Switches continued to be installed in GM vehicles even after the attempted design correction was implemented. Apparently GM's chief design engineer "forgot" the change had been made to correct the torque issue. This additional blunder exacerbated the problem with the GM vehicles; GM had no idea what cars had the Delta Switch and which had the switch with the new, longer spring.

13. Although the switch's inability to keep the car powered on during normal and foreseeable use of the subject vehicles "were known within GM's engineering ranks at the earliest stages of its [the switch's] production," GM ignored the safety risks attendant to these "moving stalls." These risks include, but are not limited to, sudden failure of: power steering, anti-lock brakes, electronic stability control, lane departure warnings, navigation systems, and airbag deployment. These sudden system failures made the Subject Vehicles impossible to control and, once the inevitable accident occurred, left the driver and passengers without life-saving airbags.

14. Apparently, GM viewed the defective ignition switches as a convenience and comfort and looked everywhere but at the design to determine the problem. GM failed to focus on the safety problems with the ignition switch turning a vehicle off during normal operation and, inexplicably, failed to link the power failure with a failure to allow airbags to deploy in a resulting accident.

15. Also according to The Valukas Report:

"While GM heard over and over from various quarters – including customers, dealers, the press and their own employees – that the car's ignition switch led to moving stalls, group after group and committee after committee within GM that reviewed the issue failed to take action or acted too slowly. Although everyone had responsibility to fix the problem, nobody took responsibility. It was an example of what one top executive described as the "GM nod," when everyone nods in agreement to a proposed plan of action, but then leave the room and does nothing."

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16. Although GM was aware (after the Purchase and Sale Agreement with Old GM) of the problem with the switches, the link between the defect and airbag non-deployment, hundreds of accidents, and dozens of acknowledged deaths attributable to the defective ignition switches, GM did not even begin recalling the Subject Vehicles until 2014. Not even the solution is attributable to GM – it was a plaintiff attorney's investigator that finally disassembled the defective part and discovered the problem that GM had been incapable of discovering for a dozen years.

17. Instead of accepting the defects in the Subject Vehicles and Ignition Switches as real safety issues, GM publically denied that either was a problem. Instead of working to identify and correct the problem, GM, its directors, engineers and counsel devoted their efforts to minimizing the perceived frequency and pervasiveness of the problems. Instead of accepting responsibility for the incidents and tragedies they caused, Defendant focused on "defending the brand" and public relations. Defendant knew, or in the exercise of the most basic diligence, should have known that a defect that causes system-wide failure of key components presented a significant safety risk to the public.

18. As a result of GM's negligent, reckless, and malicious conduct, Plaintiffs' owned and operated a vehicle with a defective ignition switch, described by the designing engineer as "the switch from hell." The defective ignition switch is believed to be the cause of Plaintiffs' accidents and resulting catastrophic injuries, which are explained more fully below.

#### **III. PARTIES**

- 19. Plaintiff Paul Patterson is a resident of the State of Kentucky.
- 20. Plaintiff Anthony Bellows is a resident of the State of Kentucky.

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- 21. Plaintiff Tabitha Young is a resident of the State of Kentucky.
- 22. Plaintiff Gelisa Hayes is a resident of the State of Louisiana.
- 23. Plaintiff Gelisa Hayes, Individually and on Behalf of LH, A Minor, reside in the State of Louisiana.
- 24. Plaintiff Natasha Davis is a resident of the State of Louisiana.
- Plaintiff Shawn Barnes, Individually and on Behalf of CD, A Minor, reside in the State of Louisiana.
- Plaintiff Shawn Barnes, Individually and on Behalf of JD, A Minor, reside in the State of Louisiana.
- Plaintiff Shawn Barnes, Individually and on Behalf of MS, A Minor, reside in the State of Louisiana.
- 28. Plaintiff Andrea Clark is a resident of the State of Louisiana.
- 29. Plaintiff Crystal King is a resident of the State of Louisiana.
- 30. Plaintiff Frank Palmer, Sr. is a resident of the State of Louisiana.
- 31. Plaintiff Beatrice Webb-Palmer is a resident of the State of Louisiana.
- 32. Plaintiff Neda Parandian is a resident of the State of Louisiana.
- 33. Plaintiff Amanda Snelson is a resident of the State of Louisiana.
- 34. Plaintiff Jacqueline Perry is a resident of the State of Tennessee.
- 35. Plaintiff Debby Branham is a resident of the State of Tennessee.
- 36. Plaintiff Scott Michael Chastain is a resident of the State of Kentucky.
- 37. Plaintiff Marty Devos is a resident of the State of Kentucky.
- 38. Plaintiff Anthony Jones is a resident of the State of Tennessee.
- 39. Defendant General Motors LLC ("New GM") is a Delaware limited liability

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company with its principal place of business at 300 Renaissance Center, MC: 482-C14-C66, Detroit, Michigan 48265 and may be served with process through service on its designated agent for service of process, CSC-Lawyers Incorporating Service, 80 State Street, Albany, New York, 12207-2543. At all times relevant herein, General Motors Corporation and its successor in interest GENERAL MOTORS LLC were engaged in the business of designing, manufacturing, constructing, assembling, marketing, warranting, distributing, selling, leasing, and servicing automobiles, including the Subject Vehicle, as described in this Complaint, and other motor vehicles and motor vehicle components throughout the United States. General Motors LLC has sufficient contacts with New York, such that under the New York Long Arm Statute it is subject to, and has submitted to, the jurisdiction of this Court.

# IV. JURISDICTION AND VENUE

40. Jurisdiction is proper in this Court pursuant to Case Management Order No. 8 in *In re General Motors LLC Ignition Switch Litigation*, [14-MC-2543, Dkt. No. 36]. By filing this Complaint in this district, however, Plaintiffs do not waive their rights to transfer this case to the district in which they reside at the conclusion of pretrial proceedings. Moreover, Plaintiffs do not waive their rights or consent with regard to choice of law by filing directly into the MDL Court pursuant to the Court's Case Management Order No. 8 and specifically rely on representations by GM to the Court that Plaintiffs will not be prejudiced by their decision to file directly into the MDL Court in the interest of convenience and judicial economy.

41. This Court also has jurisdiction over this matter under 28 U.S.C. § 1332(a) because the amount in controversy exceeds \$75,000 and Plaintiffs are each and every one a citizen of a different state than Defendant.

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# V. FACTUAL BACKGROUND

42. On October 1, 2010, Plaintiff Paul Patterson was operating a 2007 Chevrolet HHR, Vehicle Identification Number 3GNDA33P57S539409. While traveling south bound on KY121 North in Coldwater, Calloway County, Kentucky, Plaintiff's vehicle traveled off the right shoulder of the roadway. Plaintiff attempted to correct said vehicle, however, the steering would not respond due to the defective ignition switch, and traveled down the ditch, striking a culvert.

43. Plaintiff Paul Patterson was injured in the incident. He suffered injuries to his left shoulder and tail bone that caused him impairment and for which he was required to seek medical attention.

44. On March 5, 2014, Plaintiff Anthony Bellows was a passenger in a 2003 Saturn Ion, Vehicle Identification Number 1G8AJ52F632102607. The driver was attempting to turn at the intersection of Shepherdsville Road and Famous Way, in Louisville, Jefferson County, Kentucky, when the vehicle died due to the defective ignition switch. The vehicle lost its power steering and brakes, causing the vehicle to collide with another vehicle.

45. Plaintiff Anthony Bellows was injured in the incident. He suffered injuries to his back and neck that caused him impairment and for which he was required to seek medical attention.

46. On March 5, 2014, Plaintiff Tabitha Young was operating a 2003 Saturn Ion, Vehicle Identification Number 1G8AJ52F632102607. Plaintiff was attempting to turn at the intersection of Shepherdsville Road and Famous Way, in Louisville, Jefferson County, Kentucky, when the vehicle she was operating, died due to the defective ignition switch. The vehicle lost its power steering and brakes, causing her vehicle to collide with another vehicle.

47. Plaintiff Tabitha Young was injured in the incident. She suffered injuries to her low back that caused her impairment and for which she was required to seek medical attention.

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48. On March 10, 2010, Plaintiff Gelisa Hayes was operating a 2007 Chevrolet Cobalt, Vehicle Identification Number 1G1AK157577372218. While traveling West on Airline Highway in East Baton Rouge Parish, in Baton Rouge, Louisiana, another vehicle cut across Plaintiff's lane. Plaintiff attempted to swerve around the other vehicle, when Plaintiff's steering locked up due to the defective ignition switch. Plaintiff's vehicle lost its power steering, causing her vehicle to collide with the other vehicle.

49. Plaintiff Gelisa Hayes was injured in the incident. She suffered injuries to her neck and back that caused her impairment and for which she was required to seek medical attention.

50. On March 10, 2010, Minor Plaintiff, LH, was a passenger in a 2007 Chevrolet Cobalt, Vehicle Identification Number 1G1AK157577372218. While traveling West on Airline Highway in East Baton Rouge Parish, in Baton Rouge, Louisiana, another vehicle cut across Plaintiff's lane. The driver of Plaintiff's vehicle attempted to swerve around the other vehicle, when Plaintiff's steering locked up due to the defective ignition switch. Plaintiff's vehicle lost its power steering, causing the vehicle he was riding in to collide with the other vehicle.

51. Minor Plaintiff LH was injured in the incident. She suffered injuries to her face and right eyebrow that caused impairment and for which she was required to seek medical attention.

52. On June 8, 2012, Plaintiff Natasha Davis was operating a 2006 Chevrolet Cobalt, Vehicle Identification Number 1G1AL58F267695270. While traveling South on Glen Della Drive, attempting to turn left onto U.S. Highway 90 in Jefferson Parish, Avondale, Louisiana, when Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and its ability to accelerate, causing another vehicle to collide with Plaintiff's vehicle.
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53. Plaintiff Natasha Davis was injured in the incident. She suffered injuries to her head, chest, neck and back that caused impairment and for which she was required to seek medical attention.

54. On June 8, 2012, Minor Plaintiff JD was a passenger in a 2006 Chevrolet Cobalt, Vehicle Identification Number 1G1AL58F267695270. While the driver was traveling South on Glen Della Drive, attempting to turn left onto U.S. Highway 90 in Jefferson Parish, Avondale, Louisiana, when Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and ability to accelerate, causing another vehicle to collide with Plaintiff's vehicle.

55. Minor Plaintiff JD was injured in the incident. She suffered injuries to her right elbow and had glass in her eyes that caused impairment and for which she was required to seek medical attention.

56. On June 8, 2012, Minor Plaintiff MS was a passenger in a 2006 Chevrolet Cobalt, Vehicle Identification Number 1G1AL58F267695270. While the driver was traveling South on Glen Della Drive, attempting to turn left onto U.S. Highway 90, in Jefferson Parish, Avondale, Louisiana, when Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and ability to accelerate, causing another vehicle to collide with Plaintiff's vehicle.

57. Minor Plaintiff MS was injured in the incident. She suffered injuries to her head and back that caused impairment and for which she was required to seek medical attention.

58. On June 8, 2012, Minor Plaintiff CD was a passenger in a 2006 Chevrolet Cobalt, Vehicle Identification Number 1G1AL58F267695270. While the driver was traveling South on Glen Della Drive, attempting to turn left onto U.S. Highway 90, in Jefferson Parish, Avondale,

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Louisiana, when Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and ability to accelerate, causing another vehicle to collide with Plaintiff's vehicle.

59. Minor Plaintiff CD was injured in the incident. He suffered injuries to his head that caused impairment and for which he was required to seek medical attention.

60. On May 15, 2014, Plaintiff Andrea Clark was a passenger in a 2007 Pontiac G5, Vehicle Identification Number 1GAK15F377164159. Plaintiff's vehicle was proceeding East on the I 10 Service Road in Orleans Parish, New Orleans, Louisiana, when the driver of Plaintiff's vehicle was preparing to make a left turn, Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and the driver of Plaintiff's vehicle could not navigate away a passing vehicle.

61. Plaintiff Andrea Clark was injured in the incident. She suffered injuries to her neck and back that caused impairment and for which she was required to seek medical attention.

62. On August 5, 2014, Plaintiff Crystal King was a passenger in a 2005 Chevrolet Cobalt, Vehicle Identification Number 1G1AL52F657655572. While the driver of Plaintiff's vehicle was preparing to make a right turn onto Canal Boulevard in Caddo Parish, Shreveport, Louisiana, when Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and the driver of Plaintiff's vehicle could not navigate away from an approaching vehicle, colliding in the intersection.

63. On September 3, 2014, Plaintiff Frank Palmer, Sr. was operating a 2007 Saturn Ion, Vehicle Identification Number 1G8AJ55F47Z179803. Plaintiff's vehicle was traveling south bound on LA 45 in Jefferson Parish, Marrero, Louisiana, when his vehicle lost power due to the defective ignition switch. Plaintiff's vehicle also lost its power steering and brakes and Plaintiff

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was unable to avoid colliding with a vehicle in the intersection at LA 45 and Westbank Expressway in Jefferson Parish, Marrero, Louisiana.

64. Plaintiff Frank Palmer, Sr. was injured in the incident. He suffered injuries to his neck, back and left side that caused impairment and for which he was required to seek medical attention.

65. On September 3, 2014, Plaintiff Beatrice Webb-Palmer was a passenger in a 2007 Saturn Ion, Vehicle Identification Number 1 G8AJ55F47Z179803. The driver of Plaintiff's vehicle was traveling south bound on LA 45 in Jefferson Parish, Marrero, Louisiana, when their vehicle lost power due to the defective ignition switch. Plaintiff's vehicle also lost its power steering and brakes and Plaintiff was unable to avoid colliding with a vehicle in the intersection of LA 45 and Westbank Expressway in Jefferson Parish, Marrero, Louisiana.

66. Plaintiff Beatrice Webb-Palmer was injured in the incident. She suffered injuries to her neck and back that caused impairment and for which she was required to seek medical attention.

67. On June 11, 2014, Plaintiff Neda Parandian was operating a 2006 Saturn Ion, Vehicle Identification Number 1G8AJ55F36Z154339. Plaintiff was stopped at a red light in Baton Rouge, Louisiana, when a vehicle slammed in to the front of her vehicle and her airbags did not deploy due to the defective ignition switch.

68. Plaintiff Neda Parandian was injured in the incident. She suffered injuries to her jaw, mouth and back that caused impairment and for which she was required to seek medical attention.

69. On September 27, 2009, Plaintiff Amanda Snelson was operating a 2007 Saturn Ion, Vehicle Identification Number 1B8AJ557872167637. While traveling East on Highway I-

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20, in Caddo Parish, Shreveport, Louisiana, Plaintiff's was attempting to change lanes when her vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and brakes and Plaintiff's vehicle hit a concrete traffic barrier, trapping Plaintiff inside her vehicle.

70. Plaintiff Amanda Snelson was injured in the incident. She suffered injuries to her back and left knee that caused impairment and for which she was required to seek medical attention.

71. On May 17, 2012, Plaintiff Jacqueline Perry was a passenger in a 2005 Chevrolet Cobalt. Plaintiff's vehicle was proceeding on Germantown Road attempting to turn left on to Farmington Road in Germantown, Tennessee, when the vehicle was hit broadside by an oncoming vehicle. Plaintiff's airbags did not deploy upon impact due to the defective ignition switch.

72. Plaintiff Jacqueline Perry was injured in the incident. She suffered injuries to her right shoulder and left clavicle that caused impairment and for which she was required to seek medical attention.

73. On February 17, 2012, Plaintiff Debby Branham was operating a 2010 Chevrolet HHR, Vehicle Identification Number 3GNBACDB6AS561320. Plaintiff was proceeding eastbound on Oliver Springs Highway, near Cutter Lane in Clinton, Tennessee, when her steering locked up due to the defective ignition switch and she lost her power steering and brakes causing her vehicle to leave the roadway, striking a mailbox, then coming to rest in a ditch, catching on fire.

74. Plaintiff Debby Branham was injured in the incident. She suffered injuries to her right hand, forearm, left hand and knees that caused impairment and for which she was required to seek medical attention.

75. On March 12, 2012, Plaintiff Scott Chastain was a passenger in a 2009 Chevrolet

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Cobalt. While the driver was operating said vehicle at the intersection of Hurstbourne Parkway and Whipps Mill Road, in Hurstbourne, Kentucky, a truck struck Plaintiff's vehicle and the airbags did not deploy due to the defective ignition switch.

76. Plaintiff Scott Chastain was injured in the incident. He suffered injuries to his shoulders and back that caused impairment and for which he was required to seek medical attention.

77. On August 28, 2013, Plaintiff Marty Devos was operating a 2005 Chevrolet Malibu. Plaintiff was operating her vehicle in Louisville, Kentucky and while she was stopped at a red light, another vehicle ran a red light striking Plaintiff's vehicle and her airbags did not deploy due to the defective ignition switch.

78. Plaintiff Marty Devos was injured in the incident. She suffered injuries to her face, mouth, teeth, neck, back, left foot, left ankle, left hand and wrist and right elbow that caused impairment and for which she was required to seek medical attention.

79. On October 3, 2014, Plaintiff Anthony Jones was operating a 2004 Chevrolet Malibu, Vehicle Identification Number IG1ZUS4844F115169. While attempting to maneuver a curve on Florance Road in Smyrna, Tennessee, Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and brakes and Plaintiff was unable to steer the vehicle causing Plaintiff to crash into a tree.

80. Plaintiff Anthony Jones was injured in the incident. He suffered injuries to his right forearm and hand that caused impairment and for which he was required to seek medical attention.

# VI. CAUSES OF ACTION

#### A. Strict Product Liability

81. The preceding paragraphs are hereby incorporated by reference as if set forth in full

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here.

82. GM manufactured Plaintiffs' vehicles. GM has admitted publicly, through its recall of the Subject Vehicles that Plaintiffs vehicles contained a defect – namely the faulty ignition switch described above. In addition to GM's admission (through the recall and elsewhere) of the existence of the defective Ignition Switch, several studies have concluded that the Ignition Switch at issue is defective, results in "moving stalls," and airbag non-deployment in crashes.<sup>1</sup>

83. The ignition switch was a substantial factor in bringing about Plaintiffs accidents and resulting injuries; the defective switch also prevented the airbags from deploying.

84. At all times relevant to this action, Plaintiffs were using their vehicles in a proper and foreseeable manner and as it was intended by Defendant to be used when Defendant designed, manufactured, marketed, warranted, and sold the vehicle. Plaintiffs vehicles had not been substantially modified or altered from the condition in which he bought it until the time of the incident that forms the basis of this suit.

85. Plaintiffs could not, through the exercise of reasonable care, have discovered the defect in the Ignition Switch and perceived its danger, nor could they have, through the exercise of reasonable care, avoided the incidents that caused their injuries.

86. Upon information and belief, the defective component was manufactured as it was designed – a design that relied exclusively on GM's approval of the component's performance. According to the Valukas Report, the design itself was so far below GM's specifications that it failed to keep Plaintiffs vehicles powered on during the normal conditions they encountered on the dates of the incidents.

See, e.g. Indiana Transportation Research Center Report, April 25, 2007, GMNTHSA000223985; Keith A. Young, Technical Reconstruction Unit, Wisconsin State Patrol Academy, Collision Analysis & Reconstruction Report Feb. 14, 2007 at GMNTHSA000284395; Erin Shipp's Engineer Report at GMNHTSA000309665.

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87. GM marketed Plaintiffs vehicles, the Subject Vehicles, and Ignition Switches that were designed so that they were not reasonably safe in that they rendered the Subject Vehicles uncontrollable and prevented airbag deployment in a crash. The design of the Ignition Switches and Subject Vehicles was such that the utility of those products did not outweigh the danger of their introduction into the stream of commerce.

88. At the time the Subject Vehicles and the Ignition Switches were produced, there existed, and GM was aware of, cost-effective safer alternative designs that were both feasible and would have made the Subject Vehicles and Ignition Switches safer. Moreover, the safer alternative design would not have impaired the usefulness of the Ignition Switches and Subject Vehicle. In fact, the solution was as simple as using a longer spring, which GM ultimately did in 2006.

89. These design defects were the producing and proximate cause of Plaintiffs accidents and resulting injuries.

90. Defendant also failed to warn the public and Plaintiffs specifically, of the inherent defects in the Subject Vehicles, the Ignition Switches, and Plaintiffs cars specifically. Defendant did not inform the public of these life-threatening defects until 2014. Had Defendant warned Plaintiffs that their vehicles they were driving could experience a "moving stall" during normal operations and/or that the airbags would not deploy in a crash, Plaintiffs would not have bought or continued to operate their vehicles in that defective condition. Defendant's failure to warn Plaintiffs regarding the true capabilities, defects, and limitations of their vehicles were the producing and proximate cause of Plaintiffs incidents and resulting injuries.

91. Defendant knew, or through the exercise of reasonable care, should have known of the defects, capabilities, and limitations of the Subject Vehicles and the Ignition Switches during intended and foreseeable use. This fact has been borne out in the Valukas Report and will

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doubtlessly be bolstered during discovery in this case. The mounting evidence makes it clear that, not only was Defendant aware of these defects, they were consciously indifferent to the high risk of grievous harm attendant to the "ignition switch from hell." Defendant gave no warning, much less an adequate warning, that the Subject Vehicles could experience a "moving stall" or that the airbags would fail to deploy as they should. The only adequate warning Defendant could have possibly given would have been to direct consumers to immediately cease to operate the Subject Vehicles. Defendant eventually recalled the Subject Vehicles, but much too late to be of any help to Plaintiffs.

## B. Negligence

92. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

93. Defendant owed a duty of care to the public and to Plaintiffs specifically, to design, manufacture, market, warrant, and sell vehicles that were free from dangerous defects and that were capable of being operated safely during normal and foreseeable use.

94. Moreover, Defendant was required by a host of state and federal regulations to design, manufacture, market, warrant, and sell vehicles that were free from dangerous defects and that were capable of being operated safely during normal and foreseeable use.

95. Defendant had a duty to timely discover and remedy defects in the Subject Vehicles, and in Plaintiffs vehicles specifically, that rendered them abnormally dangerous during normal and foreseeable use.

96. Defendant breached the above-cited duties in at least the following respects:

a. Failing to design an ignition switch that maintained a vehicle in an operational condition during normal and foreseeable use of the vehicles;

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- b. Failing to discover defects in the Subject Vehicles, and in Plaintiffs vehicles specifically, in a timely manner;
- c. Marketing and selling vehicles that could, and did, experience "moving stalls" during normal and foreseeable use;
- Failing to warn the public, and Plaintiffs specifically, that the Subject Vehicles could and did experience "moving stalls" during normal and foreseeable use of the vehicles;
- e. Failing to warn the public, and Plaintiffs specifically, that the Subject Vehicles could and did experience airbag non-deployment during crashes in which the airbags should deploy;
- f. Failing to implement proper surveillance procedures to identify, track, and account for incidents related to the failure of the Ignition Switches;
- g. Ignoring incidents and reports that would have led a reasonable manufacturer of vehicles and components to recall and/or remedy defects in the Subject Vehicles;
- h. Allowing vehicles to be placed in the stream of commerce that Defendant knew or should have known suffered from potentially deadly defects; and
- i. Failing to timely recall the Subject Vehicles when it became apparent, or should have been apparent through the exercise of reasonable care and/or diligence, that crashes were being caused and exacerbated by the faulty Ignition Switches.

97. Defendant's breaches of duty in both common law and statute were the producing and proximate cause of the incident at issue and Plaintiffs damages. Plaintiffs belonged to the class

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of persons meant to be protected by the state and federal regulations breached by Defendant.

#### C. Breach of Express and Implied Warranties; Deceptive Trade Practices

98. The preceding paragraphs are hereby incorporated by reference as if set forth in full here. Plaintiffs who are residents of Kentucky hereby bring this suit pursuant, but not limited, to the Kentucky Revised Code § 367.110, *et. seq.* "The Kentucky Deceptive Trade Practices Act."

99. The preceding paragraphs are hereby incorporated by reference as if set forth in full here. Plaintiffs who are residents of Louisiana hereby bring suit pursuant, but not limited, to the Louisiana Revised Code § 51.1401, *et. seq.* "The Louisiana Deceptive Trade Practices Act."

100. The preceding paragraphs are hereby incorporated by reference as if set forth in full here. Plaintiffs who are residents of Tennessee hereby bring suit pursuant, but not limited, to the Tennessee Consumer Protection Act § 47-18-109. "The Tennessee Consumer Protection Act."

101. The incident in which Plaintiffs were injured was caused by the defective Subject Vehicle and Ignition Switch as described herein. Plaintiffs were consumers who did, and reasonably could have been expected to, use and/or be affected by the Subject Vehicles. Plaintiffs purchased the vehicles at issue in this case, and there existed a privity of contract as that term is known at law.

102. The incident at issue occurred, and Plaintiffs were injured, because their vehicles and ignition switches were defective, as described herein, in that they were not safe for normal and foreseeable use.

103. Defendant expressly and impliedly warranted that the Subject Vehicles would not shut off during normal and foreseeable use, that the Subject Vehicles could be safely operated during normal use, that the essential functions of the Subject Vehicles would remain operable during foreseeable use, and that the airbags would deploy in the case of a crash in which one would

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normally expect the airbags to deploy.

104. Because of the defects described herein, in various public reports, and as admitted by Defendant itself, these (and other) express and implied warranties were breached by Defendant. The Subject Vehicles and Plaintiffs vehicles specifically, were not fit for the ordinary purposes for which such vehicles are used nor were they fit for the specific purpose Defendant represented them to be useful for.

105. Defendant's acts and omissions were deceptive in that the Subject Vehicles and Ignition Switches were advertised and warranted to possess qualities, characteristics and protections that they did not, in fact, possess. The Subject Vehicles and Ignition Switches were represented to be of a particular standard, quality and grade free from defects, of merchantable quality and fit for the purpose for which they were sold and they were not.

106. Defendant's breaches of warranty were the producing and proximate cause of the incident at issue and Plaintiffs damages.

# **D.** Gross Negligence

107. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

108. The evidence referenced in this Complaint and the mounting evidence regarding the recent recalls of millions of defective GM vehicles makes it clear that Defendant is guilty of exceptional misconduct. GM was issued, and agreed to, a record fine by the U.S. Department of Transportation's National Highway Traffic Safety Administration. Defendant has been aware for more than a dozen years that the ignition switches in the Subject Vehicles were grossly inadequate and subjected the driving public to a grave risk of grievous harm. Producing and marketing vehicles that are subject to complete system failures at highway speeds is akin to launching

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millions of torpedoes onto American streets and highways – with unsuspecting consumers inside. Defendant knew about the problem for years and, because of greed and/or gross ineptitude, refused to act on the problem. Instead, Defendant gave the issue the "GM nod." The "GM nod" demonstrates that more than one of Defendant's superior officers in the course of employment ordered, ratified, and/or participated in the malicious conduct. These officers acted maliciously, wantonly, and/or recklessly, and clearly the Defendant is guilty of exceptional misconduct and gross negligence. Plaintiffs demand punitive damages for this conduct.

## VII. DAMAGES

109. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

110. Plaintiffs, as a result of the liability of Defendant described above, have suffered and makes claims for reasonable and necessary medical expenses incurred as a result of the incident made basis of these suits in the past and future, past and future pain and suffering, lost wages and earning capacity in the past, disfigurement in the past and future, impairment in the past and future and exemplary damages. Plaintiffs also demands statutory penalties be imposed pursuant to the Kentucky Deceptive Trade Practices Act and attorney's fees, the Louisiana Deceptive Trade Practices Act and attorney's fees, and The Tennessee Consumer Protection Act and attorney's fees.

#### VIII. CONCLUSION AND PRAYER

111. Defendant has only recently admitted publically its wrongdoing – albeit not to the full extent and not in time to prevent Plaintiffs injuries – but it admitted wrongdoing nonetheless. As the evidence mounts about what was known and when, it is becoming inescapably clear that Defendant needs to be punished and the victims they have injured need to be compensated. The

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law is powerless to remedy the harms Defendant has caused through its negligent, reckless, and malicious conduct – we cannot restore life or limb. However, justice must be done to the extent we are able, and Plaintiffs demand that Defendant answer for its acts and omissions that led to Plaintiffs damages and be required to pay compensatory and exemplary damages to the full extent allowed by law.

112. WHEREFORE, PREMISES CONSIDERED, Plaintiffs respectfully request Defendant be cited, tried by jury, and, upon verdict in Plaintiffs favor, Judgment be entered against Defendant for:

- a. Actual damages within the jurisdictional limits of this Court;
- b. Property damage and loss;
- c. Exemplary damages to the full extent permitted by law;
- d. Attorney's fees;
- e. Costs of suit;
- f. Pre- and Post-Judgment Interest at the maximum recoverable level; and
- g. All other relief to which the Plaintiffs show themselves justifiably entitled.

**Dated:** March 18, 2015

Respectfully Submitted,

# HEARD ROBINS CLOUD LLP

Jason Dunahoe Sean Teare 2000 West Loop South, 22<sup>nd</sup> Floor Houston, Texas 77027 713.650.1200 Voice 713.650.1400 Facsimile *Attorneys for Plaintiffs, Pro Hac Vice Pending*\*

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UNITED STATES DISTRICT COUR SOUTHERN DISTRICT OF NEW YC		
IN RE: GENERAL MOTORS LLC IGNITION SWITCH LITIGATION		14-MD-2543 (JMF) Case No. <u>1:15-cv-02089-JMF</u>
This Document Relates to: X		
PAUL PATTERSON, ET AL PLAINTIFFS,	Complaint	Jury Trial Demanded

V.

GENERAL MOTORS, LLC, DEFENDANT

#### -----X AMENDED COMPLAINT

COME NOW Plaintiffs, through undersigned counsel, and for cause of action respectfully shows as follows:

# I. PRELIMINARY STATEMENT

1. Plaintiffs were involved in accidents, and received injuries, in GM vehicles that have been recalled because of defective ignition switches. Each incident, explained below, was proximately caused by the failure of each Plaintiff's ignition switch and/or their injuries were exacerbated because the defective ignition switch prevented their airbag from deploying. All Plaintiffs were damaged and received personal injuries as a result of the defective ignition switch in their GM vehicles.

2. Plaintiffs' causes of action are brought against GENERAL MOTORS LLC ("New GM"). Plaintiffs do not assert any causes of action against General Motors Corporation ("Old GM"), although, in some cases, Old GM manufactured Plaintiffs' vehicles. The incidents at issue in this case occurred after the Old GM bankruptcy, which is discussed briefly below. The subject

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vehicles have been recalled by General Motors LLC, and New GM is strictly liable for the incident.

3. While at times this Complaint references acts and omissions by Old GM, these references are for background purposes only. Old GM arguably ceased to exist pursuant to the June 26, 2009 Amended and Restated Master Sale and Purchase Agreement wherein New GM acquired certain Old GM assets. That Amended and Restated Master Sale and Purchase Agreement was approved on July 10, 2009. In that Agreement, New GM expressly agreed to accept responsibility for product liability claims that arose from accidents or incidents occurring on or after July 10, 2009.

4. While New GM expressly accepted responsibility for accidents occurring on or after July 10, 2009, it also acquired knowledge of Old GM's activities generally, and the existence of the defective ignition switches in place in millions of vehicles specifically. New GM acquired personnel from Old GM, including but not limited to, top leadership personnel, executives, members of the Board of Directors, internal legal counsel, engineers and quality control personnel. Most importantly, New GM retained the engineer in charge of designing and approving the manufacturing specifications of the defective ignition switch. The employees retained by New GM carried with them the knowledge they gained at Old GM. New GM also acquired knowledge about the issues with the ignition switch, moving stalls and airbag non-deployment through the chief engineer, design and manufacturing documents, internal memorandum, and reports to the Board of Directors. New GM continued to service – and to receive complaints about – vehicles manufactured on Old GM's watch. While the change from Old GM to New GM arguably had some legal effect with regard to creditors who received notice of their rights, it had little practical effect relative to the problems with, and knowledge of, the ignition-switch defect.

5. New GM also acquired certain duties with regard to vehicles in production and on

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the road at the time of the Sale and Purchase Agreement – duties it breached egregiously – as has been well-publicized and for which it has been justifiably criticized. These duties included, but are not limited to, those arising under the National Traffic and Motor Vehicle Safety Act, 49 U.S.C. § 30101 *et. seq.* and the Transportation Recall Enhancement, Accountability and Documentation Act, 49 U.S.C. §§ 30101 – 30170. GM was fined \$35 Million by NTSHA for its delayed reporting of the ignition switch problem and violating federal safety laws. New GM's liability for damages is attributable to its own post-sale conduct and failure to timely remedy and/or recall vehicles it knew had deadly defects, even with regard to vehicles manufactured and sold prior to the Sale and Purchase Agreement. Plaintiffs' cases are a prime example of liability and gross negligence that is inarguably attributable solely to New GM, as is shown below.

## II. INTRODUCTION

6. At the time of this filing, more than 12,000,000 GM vehicles have been recalled because of a defective ignition switch. Hundreds, if not thousands, of accidents are now known to have been caused by vehicles losing power and control because the defective ignition switch turned from "on" to "off" during normal and foreseeable operation. When the ignition switch fails, drivers are unable to use their steering and brakes in an effective manner. The resulting loss of control, or "moving stall," and subsequent accidents are exacerbated by the fact that the defective ignition switch also prevents life-saving airbags from deploying. So, in addition to causing accidents, the defective part makes the resulting damages even greater. As used in this Complaint, the "Subject Vehicles" refers to the GM vehicles manufactured, upon information and belief, on the Delta Platform, sold in the United States, equipped at the time of sale with ignition switches (the "Ignition Switches"), and sharing a common defective design, including the following makes and model years:

# **Buick:**

- Lacrosse (2005 2009)
- Lucerne (2006 2011)

# Cadillac:

- CTS (2003 2014)
- Deville (2000 2005)
- DTS (2006 2011)
- SRX (2004 2006)

# **Chevrolet:**

- Camaro (2010 2014)
- Cobalt (2005 2010)
- HHR (2006 2011)
- Impala (2000 2014)
- Malibu (1997 2005)
- Monte Carlo (2000 2007)

# **Oldsmobile:**

- Alero (1999 2004)
- Intrigue (1998 2002)

# **Pontiac:**

- G5 (2007 2010)
- Grand Am (1999 2005)
- Grand Prix (2004 2008)
- Solstice (2006 2010)

# <u>Saturn:</u>

- Ion (2003 2007)
- Sky (2007 2010)

7. Each of the vehicles driven by Plaintiffs is included in the above-listed "Subject Vehicles" and contained the defective Ignition Switch that is the subject of the 2014 GM ignition switch recalls. Plaintiffs' vehicles were in substantially the same condition as when each left the manufacturer and contained a defective ignition switch that, upon information and belief was the proximate and producing cause of the incident at issue and Plaintiffs' resulting injuries and damages.

8. The Ignition Switch that was approved by GM and installed in the GM Subject Vehicles identified above, was one of several switches manufactured at GM's direction in 2001. Each type of switch was manufactured, tested and evaluated by GM engineers prior to production. The switch that was ultimately selected by GM (the "Delta Switch") had a shorter spring in the detent plunger that gave it a smoother, more "European" feel. Another switch was identical to the Delta Switch in every respect except that it used a longer spring in the detent plunger. The longer spring increased the torque required to engage and disengage the ignition switch – it made it hard to turn the key in both directions. The longer spring also sacrificed the smooth feel that was so

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important to GM.

9. According to the recently published "Report to the Board of Directors of General Motors Company Regarding Ignition Switch Recalls" authored by Anton R. Valukas ("The Valukas Report"), GM made a conscious decision, in the fall of 2002, to use the Delta Switch in the Subject Vehicles "that was so far below GM's own specifications that it failed to keep the car powered on in circumstances that drivers would encounter." GM knew of, and approved, the final version of the Ignition Switch that was installed in millions of cars despite knowing that the force required to disengage the ignition switch was far below minimum specifications.

10. According to documents obtained by a United States House of Representatives committee during an investigation into the Defective Ignition Switches, GM opened an engineering inquiry about the defective Ignition Switch in 2004 after customers complained that the Subject Vehicles could be turned off while driving. Also according to those documents, the Cobalt program engineer rejected a proposal to change the Ignition Switch claiming that the part was too expensive and the change would take too much time – after he experienced the same problem while performing a test drive of a Cobalt. The cost that the project engineer found intolerably high was less than one dollar per vehicle.

11. The switch was eventually redesigned in 2006, although using the same part number as the Delta Switch. Remarkably, the solution to the torqueing problem had been present since 2001; all that needed to be done was use the longer spring that had already been tested in the design phase. No other changes were made to the switch and, aside from affecting the "European" feel of the switch, the new switch with the longer spring functioned capably. The longer spring also brought the ignition switch into spec with regard to torque force.

12. The decision to use the same part number meant that already-produced Delta

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Switches continued to be installed in GM vehicles even after the attempted design correction was implemented. Apparently GM's chief design engineer "forgot" the change had been made to correct the torque issue. This additional blunder exacerbated the problem with the GM vehicles; GM had no idea what cars had the Delta Switch and which had the switch with the new, longer spring.

13. Although the switch's inability to keep the car powered on during normal and foreseeable use of the subject vehicles "were known within GM's engineering ranks at the earliest stages of its [the switch's] production," GM ignored the safety risks attendant to these "moving stalls." These risks include, but are not limited to, sudden failure of: power steering, anti-lock brakes, electronic stability control, lane departure warnings, navigation systems, and airbag deployment. These sudden system failures made the Subject Vehicles impossible to control and, once the inevitable accident occurred, left the driver and passengers without life-saving airbags.

14. Apparently, GM viewed the defective ignition switches as a convenience and comfort and looked everywhere but at the design to determine the problem. GM failed to focus on the safety problems with the ignition switch turning a vehicle off during normal operation and, inexplicably, failed to link the power failure with a failure to allow airbags to deploy in a resulting accident.

15. Also according to The Valukas Report:

"While GM heard over and over from various quarters – including customers, dealers, the press and their own employees – that the car's ignition switch led to moving stalls, group after group and committee after committee within GM that reviewed the issue failed to take action or acted too slowly. Although everyone had responsibility to fix the problem, nobody took responsibility. It was an example of what one top executive described as the "GM nod," when everyone nods in agreement to a proposed plan of action, but then leave the room and does nothing."

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16. Although GM was aware (after the Purchase and Sale Agreement with Old GM) of the problem with the switches, the link between the defect and airbag non-deployment, hundreds of accidents, and dozens of acknowledged deaths attributable to the defective ignition switches, GM did not even begin recalling the Subject Vehicles until 2014. Not even the solution is attributable to GM – it was a plaintiff attorney's investigator that finally disassembled the defective part and discovered the problem that GM had been incapable of discovering for a dozen years.

17. Instead of accepting the defects in the Subject Vehicles and Ignition Switches as real safety issues, GM publically denied that either was a problem. Instead of working to identify and correct the problem, GM, its directors, engineers and counsel devoted their efforts to minimizing the perceived frequency and pervasiveness of the problems. Instead of accepting responsibility for the incidents and tragedies they caused, Defendant focused on "defending the brand" and public relations. Defendant knew, or in the exercise of the most basic diligence, should have known that a defect that causes system-wide failure of key components presented a significant safety risk to the public.

18. As a result of GM's negligent, reckless, and malicious conduct, Plaintiffs' owned and operated a vehicle with a defective ignition switch, described by the designing engineer as "the switch from hell." The defective ignition switch is believed to be the cause of Plaintiffs' accidents and resulting catastrophic injuries, which are explained more fully below.

#### **III. PARTIES**

- 19. Plaintiff Paul Patterson is a resident of the State of Kentucky.
- 20. Plaintiff Anthony Bellows is a resident of the State of Kentucky.
- 21. Plaintiff Tabitha Young is a resident of the State of Kentucky.

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- 22. Plaintiff Natasha Davis is a resident of the State of Louisiana.
- Plaintiff Shawn Barnes, Individually and on Behalf of CD, A Minor, reside in the State of Louisiana.
- 24. Plaintiff Shawn Barnes, Individually and on Behalf of JD, A Minor, reside in the State of Louisiana.
- 25. Plaintiff Shawn Barnes, Individually and on Behalf of MS, A Minor, reside in the State of Louisiana.
- 26. Plaintiff Andrea Clark is a resident of the State of Louisiana.
- 27. Plaintiff Frank Palmer, Sr. is a resident of the State of Louisiana.
- 28. Plaintiff Beatrice Webb-Palmer is a resident of the State of Louisiana.
- 29. Plaintiff Neda Parandian is a resident of the State of Louisiana.
- 30. Plaintiff Amanda Snelson is a resident of the State of Louisiana.
- 31. Plaintiff Jacqueline Perry is a resident of the State of Tennessee.
- 32. Plaintiff Debby Branham is a resident of the State of Tennessee.
- 33. Plaintiff Scott Michael Chastain is a resident of the State of Kentucky.
- 34. Plaintiff Marty Devos is a resident of the State of Kentucky.
- 35. Plaintiff Anthony Jones is a resident of the State of Tennessee.

36. Defendant General Motors LLC ("New GM") is a Delaware limited liability company with its principal place of business at 300 Renaissance Center, MC: 482-C14-C66, Detroit, Michigan 48265 and may be served with process through service on its designated agent for service of process, CSC-Lawyers Incorporating Service, 80 State Street, Albany, New York, 12207-2543. At all times relevant herein, General Motors Corporation and its successor in interest GENERAL MOTORS LLC were engaged in the business of designing, manufacturing,

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constructing, assembling, marketing, warranting, distributing, selling, leasing, and servicing automobiles, including the Subject Vehicle, as described in this Complaint, and other motor vehicles and motor vehicle components throughout the United States. General Motors LLC has sufficient contacts with New York, such that under the New York Long Arm Statute it is subject to, and has submitted to, the jurisdiction of this Court.

#### IV. JURISDICTION AND VENUE

37. Jurisdiction is proper in this Court pursuant to Case Management Order No. 8 in *In re General Motors LLC Ignition Switch Litigation*, [14-MC-2543, Dkt. No. 36]. By filing this Complaint in this district, however, Plaintiffs do not waive their rights to transfer this case to the district in which they reside at the conclusion of pretrial proceedings. Moreover, Plaintiffs do not waive their rights or consent with regard to choice of law by filing directly into the MDL Court pursuant to the Court's Case Management Order No. 8 and specifically rely on representations by GM to the Court that Plaintiffs will not be prejudiced by their decision to file directly into the MDL Court in the interest of convenience and judicial economy.

38. This Court also has jurisdiction over this matter under 28 U.S.C. § 1332(a) because the amount in controversy exceeds \$75,000 and Plaintiffs are each and every one a citizen of a different state than Defendant.

## V. FACTUAL BACKGROUND

39. On October 1, 2010, Plaintiff Paul Patterson was operating a 2007 Chevrolet HHR, Vehicle Identification Number 3GNDA33P57S539409. While traveling south bound on KY121 North in Coldwater, Calloway County, Kentucky, Plaintiff's vehicle traveled off the right shoulder of the roadway. Plaintiff attempted to correct said vehicle, however, the steering would not respond due to the defective ignition switch, and traveled down the ditch, striking a culvert.

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40. Plaintiff Paul Patterson was injured in the incident. He suffered injuries to his left shoulder and tail bone that caused him impairment and for which he was required to seek medical attention.

41. On March 5, 2014, Plaintiff Anthony Bellows was a passenger in a 2003 Saturn Ion, Vehicle Identification Number 1G8AJ52F632102607. The driver was attempting to turn at the intersection of Shepherdsville Road and Famous Way, in Louisville, Jefferson County, Kentucky, when the vehicle died due to the defective ignition switch. The vehicle lost its power steering and brakes, causing the vehicle to collide with another vehicle.

42. Plaintiff Anthony Bellows was injured in the incident. He suffered injuries to his back and neck that caused him impairment and for which he was required to seek medical attention.

43. On March 5, 2014, Plaintiff Tabitha Young was operating a 2003 Saturn Ion, Vehicle Identification Number 1G8AJ52F632102607. Plaintiff was attempting to turn at the intersection of Shepherdsville Road and Famous Way, in Louisville, Jefferson County, Kentucky, when the vehicle she was operating, died due to the defective ignition switch. The vehicle lost its power steering and brakes, causing her vehicle to collide with another vehicle.

44. Plaintiff Tabitha Young was injured in the incident. She suffered injuries to her low back that caused her impairment and for which she was required to seek medical attention.

45. On March 10, 2010, Minor Plaintiff, LH, was a passenger in a 2007 Chevrolet Cobalt, Vehicle Identification Number 1G1AK157577372218. While traveling West on Airline Highway in East Baton Rouge Parish, in Baton Rouge, Louisiana, another vehicle cut across Plaintiff's lane. The driver of Plaintiff's vehicle attempted to swerve around the other vehicle, when Plaintiff's steering locked up due to the defective ignition switch. Plaintiff's vehicle lost its power steering, causing the vehicle he was riding in to collide with the other vehicle.

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46. Minor Plaintiff LH was injured in the incident. She suffered injuries to her face and right eyebrow that caused impairment and for which she was required to seek medical attention.

47. On June 8, 2012, Plaintiff Natasha Davis was operating a 2006 Chevrolet Cobalt, Vehicle Identification Number 1G1AL58F267695270. While traveling South on Glen Della Drive, attempting to turn left onto U.S. Highway 90 in Jefferson Parish, Avondale, Louisiana, when Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and its ability to accelerate, causing another vehicle to collide with Plaintiff's vehicle.

48. Plaintiff Natasha Davis was injured in the incident. She suffered injuries to her head, chest, neck and back that caused impairment and for which she was required to seek medical attention.

49. On June 8, 2012, Minor Plaintiff JD was a passenger in a 2006 Chevrolet Cobalt, Vehicle Identification Number 1G1AL58F267695270. While the driver was traveling South on Glen Della Drive, attempting to turn left onto U.S. Highway 90 in Jefferson Parish, Avondale, Louisiana, when Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and ability to accelerate, causing another vehicle to collide with Plaintiff's vehicle.

50. Minor Plaintiff JD was injured in the incident. She suffered injuries to her right elbow and had glass in her eyes that caused impairment and for which she was required to seek medical attention.

51. On June 8, 2012, Minor Plaintiff MS was a passenger in a 2006 Chevrolet Cobalt, Vehicle Identification Number 1G1AL58F267695270. While the driver was traveling South on

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Glen Della Drive, attempting to turn left onto U.S. Highway 90, in Jefferson Parish, Avondale, Louisiana, when Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and ability to accelerate, causing another vehicle to collide with Plaintiff's vehicle.

52. Minor Plaintiff MS was injured in the incident. She suffered injuries to her head and back that caused impairment and for which she was required to seek medical attention.

53. On June 8, 2012, Minor Plaintiff CD was a passenger in a 2006 Chevrolet Cobalt, Vehicle Identification Number 1G1AL58F267695270. While the driver was traveling South on Glen Della Drive, attempting to turn left onto U.S. Highway 90, in Jefferson Parish, Avondale, Louisiana, when Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and ability to accelerate, causing another vehicle to collide with Plaintiff's vehicle.

54. Minor Plaintiff CD was injured in the incident. He suffered injuries to his head that caused impairment and for which he was required to seek medical attention.

55. On May 15, 2014, Plaintiff Andrea Clark was a passenger in a 2007 Pontiac G5, Vehicle Identification Number 1GAK15F377164159. Plaintiff's vehicle was proceeding East on the I 10 Service Road in Orleans Parish, New Orleans, Louisiana, when the driver of Plaintiff's vehicle was preparing to make a left turn, Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and the driver of Plaintiff's vehicle could not navigate away a passing vehicle.

56. Plaintiff Andrea Clark was injured in the incident. She suffered injuries to her neck and back that caused impairment and for which she was required to seek medical attention.

57. On September 3, 2014, Plaintiff Frank Palmer, Sr. was operating a 2007 Saturn Ion,

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Vehicle Identification Number 1G8AJ55F47Z179803. Plaintiff's vehicle was traveling south bound on LA 45 in Jefferson Parish, Marrero, Louisiana, when his vehicle lost power due to the defective ignition switch. Plaintiff's vehicle also lost its power steering and brakes and Plaintiff was unable to avoid colliding with a vehicle in the intersection at LA 45 and Westbank Expressway in Jefferson Parish, Marrero, Louisiana.

58. Plaintiff Frank Palmer, Sr. was injured in the incident. He suffered injuries to his neck, back and left side that caused impairment and for which he was required to seek medical attention.

59. On September 3, 2014, Plaintiff Beatrice Webb-Palmer was a passenger in a 2007 Saturn Ion, Vehicle Identification Number 1 G8AJ55F47Z179803. The driver of Plaintiff's vehicle was traveling south bound on LA 45 in Jefferson Parish, Marrero, Louisiana, when their vehicle lost power due to the defective ignition switch. Plaintiff's vehicle also lost its power steering and brakes and Plaintiff was unable to avoid colliding with a vehicle in the intersection of LA 45 and Westbank Expressway in Jefferson Parish, Marrero, Louisiana.

60. Plaintiff Beatrice Webb-Palmer was injured in the incident. She suffered injuries to her neck and back that caused impairment and for which she was required to seek medical attention.

61. On June 11, 2014, Plaintiff Neda Parandian was operating a 2006 Saturn Ion, Vehicle Identification Number 1G8AJ55F36Z154339. Plaintiff was stopped at a red light in Baton Rouge, Louisiana, when a vehicle slammed in to the front of her vehicle and her airbags did not deploy due to the defective ignition switch.

62. Plaintiff Neda Parandian was injured in the incident. She suffered injuries to her jaw, mouth and back that caused impairment and for which she was required to seek medical

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attention.

63. On September 27, 2009, Plaintiff Amanda Snelson was operating a 2007 Saturn Ion, Vehicle Identification Number 1B8AJ557872167637. While traveling East on Highway I-20, in Caddo Parish, Shreveport, Louisiana, Plaintiff's was attempting to change lanes when her vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and brakes and Plaintiff's vehicle hit a concrete traffic barrier, trapping Plaintiff inside her vehicle.

64. Plaintiff Amanda Snelson was injured in the incident. She suffered injuries to her back and left knee that caused impairment and for which she was required to seek medical attention.

65. On May 17, 2012, Plaintiff Jacqueline Perry was a passenger in a 2005 Chevrolet Cobalt. Plaintiff's vehicle was proceeding on Germantown Road attempting to turn left on to Farmington Road in Germantown, Tennessee, when the vehicle was hit broadside by an oncoming vehicle. Plaintiff's airbags did not deploy upon impact due to the defective ignition switch.

66. Plaintiff Jacqueline Perry was injured in the incident. She suffered injuries to her right shoulder and left clavicle that caused impairment and for which she was required to seek medical attention.

67. On February 17, 2012, Plaintiff Debby Branham was operating a 2010 Chevrolet HHR, Vehicle Identification Number 3GNBACDB6AS561320. Plaintiff was proceeding eastbound on Oliver Springs Highway, near Cutter Lane in Clinton, Tennessee, when her steering locked up due to the defective ignition switch and she lost her power steering and brakes causing her vehicle to leave the roadway, striking a mailbox, then coming to rest in a ditch, catching on fire.

68. Plaintiff Debby Branham was injured in the incident. She suffered injuries to her

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right hand, forearm, left hand and knees that caused impairment and for which she was required to seek medical attention.

69. On March 12, 2012, Plaintiff Scott Chastain was a passenger in a 2009 Chevrolet Cobalt. While the driver was operating said vehicle at the intersection of Hurstbourne Parkway and Whipps Mill Road, in Hurstbourne, Kentucky, a truck struck Plaintiff's vehicle and the airbags did not deploy due to the defective ignition switch.

70. Plaintiff Scott Chastain was injured in the incident. He suffered injuries to his shoulders and back that caused impairment and for which he was required to seek medical attention.

71. On August 28, 2013, Plaintiff Marty Devos was operating a 2005 Chevrolet Malibu. Plaintiff was operating her vehicle in Louisville, Kentucky and while she was stopped at a red light, another vehicle ran a red light striking Plaintiff's vehicle and her airbags did not deploy due to the defective ignition switch.

72. Plaintiff Marty Devos was injured in the incident. She suffered injuries to her face, mouth, teeth, neck, back, left foot, left ankle, left hand and wrist and right elbow that caused impairment and for which she was required to seek medical attention.

73. On October 3, 2014, Plaintiff Anthony Jones was operating a 2004 Chevrolet Malibu, Vehicle Identification Number IG1ZUS4844F115169. While attempting to maneuver a curve on Florance Road in Smyrna, Tennessee, Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and brakes and Plaintiff was unable to steer the vehicle causing Plaintiff to crash into a tree.

74. Plaintiff Anthony Jones was injured in the incident. He suffered injuries to his right forearm and hand that caused impairment and for which he was required to seek medical attention.

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# VI. CAUSES OF ACTION

# A. Strict Product Liability

75. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

76. GM manufactured Plaintiffs' vehicles. GM has admitted publicly, through its recall of the Subject Vehicles that Plaintiffs vehicles contained a defect – namely the faulty ignition switch described above. In addition to GM's admission (through the recall and elsewhere) of the existence of the defective Ignition Switch, several studies have concluded that the Ignition Switch at issue is defective, results in "moving stalls," and airbag non-deployment in crashes.<sup>1</sup>

77. The ignition switch was a substantial factor in bringing about Plaintiffs accidents and resulting injuries; the defective switch also prevented the airbags from deploying.

78. At all times relevant to this action, Plaintiffs were using their vehicles in a proper and foreseeable manner and as it was intended by Defendant to be used when Defendant designed, manufactured, marketed, warranted, and sold the vehicle. Plaintiffs vehicles had not been substantially modified or altered from the condition in which he bought it until the time of the incident that forms the basis of this suit.

79. Plaintiffs could not, through the exercise of reasonable care, have discovered the defect in the Ignition Switch and perceived its danger, nor could they have, through the exercise of reasonable care, avoided the incidents that caused their injuries.

80. Upon information and belief, the defective component was manufactured as it was designed – a design that relied exclusively on GM's approval of the component's performance.

See, e.g. Indiana Transportation Research Center Report, April 25, 2007, GMNTHSA000223985; Keith A. Young, Technical Reconstruction Unit, Wisconsin State Patrol Academy, Collision Analysis & Reconstruction Report Feb. 14, 2007 at GMNTHSA000284395; Erin Shipp's Engineer Report at GMNHTSA000309665.

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According to the Valukas Report, the design itself was so far below GM's specifications that it failed to keep Plaintiffs vehicles powered on during the normal conditions they encountered on the dates of the incidents.

81. GM marketed Plaintiffs vehicles, the Subject Vehicles, and Ignition Switches that were designed so that they were not reasonably safe in that they rendered the Subject Vehicles uncontrollable and prevented airbag deployment in a crash. The design of the Ignition Switches and Subject Vehicles was such that the utility of those products did not outweigh the danger of their introduction into the stream of commerce.

82. At the time the Subject Vehicles and the Ignition Switches were produced, there existed, and GM was aware of, cost-effective safer alternative designs that were both feasible and would have made the Subject Vehicles and Ignition Switches safer. Moreover, the safer alternative design would not have impaired the usefulness of the Ignition Switches and Subject Vehicle. In fact, the solution was as simple as using a longer spring, which GM ultimately did in 2006.

83. These design defects were the producing and proximate cause of Plaintiffs accidents and resulting injuries.

84. Defendant also failed to warn the public and Plaintiffs specifically, of the inherent defects in the Subject Vehicles, the Ignition Switches, and Plaintiffs cars specifically. Defendant did not inform the public of these life-threatening defects until 2014. Had Defendant warned Plaintiffs that their vehicles they were driving could experience a "moving stall" during normal operations and/or that the airbags would not deploy in a crash, Plaintiffs would not have bought or continued to operate their vehicles in that defective condition. Defendant's failure to warn Plaintiffs regarding the true capabilities, defects, and limitations of their vehicles were the producing and proximate cause of Plaintiffs incidents and resulting injuries.

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85. Defendant knew, or through the exercise of reasonable care, should have known of the defects, capabilities, and limitations of the Subject Vehicles and the Ignition Switches during intended and foreseeable use. This fact has been borne out in the Valukas Report and will doubtlessly be bolstered during discovery in this case. The mounting evidence makes it clear that, not only was Defendant aware of these defects, they were consciously indifferent to the high risk of grievous harm attendant to the "ignition switch from hell." Defendant gave no warning, much less an adequate warning, that the Subject Vehicles could experience a "moving stall" or that the airbags would fail to deploy as they should. The only adequate warning Defendant could have possibly given would have been to direct consumers to immediately cease to operate the Subject Vehicles. Defendant eventually recalled the Subject Vehicles, but much too late to be of any help to Plaintiffs.

## B. Negligence

86. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

87. Defendant owed a duty of care to the public and to Plaintiffs specifically, to design, manufacture, market, warrant, and sell vehicles that were free from dangerous defects and that were capable of being operated safely during normal and foreseeable use.

88. Moreover, Defendant was required by a host of state and federal regulations to design, manufacture, market, warrant, and sell vehicles that were free from dangerous defects and that were capable of being operated safely during normal and foreseeable use.

89. Defendant had a duty to timely discover and remedy defects in the Subject Vehicles, and in Plaintiffs vehicles specifically, that rendered them abnormally dangerous during normal and foreseeable use.

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- 90. Defendant breached the above-cited duties in at least the following respects:
  - a. Failing to design an ignition switch that maintained a vehicle in an operational condition during normal and foreseeable use of the vehicles;
  - b. Failing to discover defects in the Subject Vehicles, and in Plaintiffs vehicles specifically, in a timely manner;
  - c. Marketing and selling vehicles that could, and did, experience "moving stalls" during normal and foreseeable use;
  - Failing to warn the public, and Plaintiffs specifically, that the Subject Vehicles could and did experience "moving stalls" during normal and foreseeable use of the vehicles;
  - e. Failing to warn the public, and Plaintiffs specifically, that the Subject Vehicles could and did experience airbag non-deployment during crashes in which the airbags should deploy;
  - f. Failing to implement proper surveillance procedures to identify, track, and account for incidents related to the failure of the Ignition Switches;
  - g. Ignoring incidents and reports that would have led a reasonable manufacturer of vehicles and components to recall and/or remedy defects in the Subject Vehicles;
  - h. Allowing vehicles to be placed in the stream of commerce that Defendant knew or should have known suffered from potentially deadly defects; and
  - i. Failing to timely recall the Subject Vehicles when it became apparent, or should have been apparent through the exercise of reasonable care and/or diligence, that crashes were being caused and exacerbated by the faulty

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Ignition Switches.

91. Defendant's breaches of duty in both common law and statute were the producing and proximate cause of the incident at issue and Plaintiffs damages. Plaintiffs belonged to the class of persons meant to be protected by the state and federal regulations breached by Defendant.

# C. Gross Negligence

92. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

93. The evidence referenced in this Complaint and the mounting evidence regarding the recent recalls of millions of defective GM vehicles makes it clear that Defendant is guilty of exceptional misconduct. GM was issued, and agreed to, a record fine by the U.S. Department of Transportation's National Highway Traffic Safety Administration. Defendant has been aware for more than a dozen years that the ignition switches in the Subject Vehicles were grossly inadequate and subjected the driving public to a grave risk of grievous harm. Producing and marketing vehicles that are subject to complete system failures at highway speeds is akin to launching millions of torpedoes onto American streets and highways – with unsuspecting consumers inside. Defendant knew about the problem for years and, because of greed and/or gross ineptitude, refused to act on the problem. Instead, Defendant gave the issue the "GM nod." The "GM nod" demonstrates that more than one of Defendant's superior officers in the course of employment ordered, ratified, and/or participated in the malicious conduct. These officers acted maliciously, wantonly, and/or recklessly, and clearly the Defendant is guilty of exceptional misconduct and gross negligence. Plaintiffs demand punitive damages for this conduct.

## VII. DAMAGES

94. The preceding paragraphs are hereby incorporated by reference as if set forth in full

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here.

95. Plaintiffs, as a result of the liability of Defendant described above, have suffered and makes claims for reasonable and necessary medical expenses incurred as a result of the incident made basis of these suits in the past and future, past and future pain and suffering, lost wages and earning capacity in the past, disfigurement in the past and future, impairment in the past and future and exemplary damages.

## VIII. CONCLUSION AND PRAYER

96. Defendant has only recently admitted publically its wrongdoing – albeit not to the full extent and not in time to prevent Plaintiffs injuries – but it admitted wrongdoing nonetheless. As the evidence mounts about what was known and when, it is becoming inescapably clear that Defendant needs to be punished and the victims they have injured need to be compensated. The law is powerless to remedy the harms Defendant has caused through its negligent, reckless, and malicious conduct – we cannot restore life or limb. However, justice must be done to the extent we are able, and Plaintiffs demand that Defendant answer for its acts and omissions that led to Plaintiffs damages and be required to pay compensatory and exemplary damages to the full extent allowed by law.

97. WHEREFORE, PREMISES CONSIDERED, Plaintiffs respectfully request Defendant be cited, tried by jury, and, upon verdict in Plaintiffs favor, Judgment be entered against Defendant for:

- a. Actual damages within the jurisdictional limits of this Court;
- b. Property damage and loss;
- c. Exemplary damages to the full extent permitted by law;
- d. Attorney's fees;

e. Costs of suit;

Dated: September 30, 2015

- f. Pre- and Post-Judgment Interest at the maximum recoverable level; and
- g. All other relief to which the Plaintiffs show themselves justifiably entitled.

Respectfully submitted,

THE POTTS LAW FIRM, LLP

By: <u>/s/ Eric G. Jensen</u> Eric G. Jensen MO# 43094 Derek H. Potts NY #44882 The Potts Law Firm, LLP 1901 W. 47<sup>th</sup> Place, Suite 210 Westwood, KS 66205 (816) 931-2230 (telephone) (816) 817-0478 (facsimile)

# **ATTORNEYS FOR PLAINTIFFS**
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# **EXHIBIT 7**

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# UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

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#### IN RE: GENERAL MOTORS LLC IGNITION SWITCH LITIGATION

14-MD-2543 (JMF)

This Document Relates to:

Case No. <u>1:15-cv-02089-JMF</u>

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PAUL PATTERSON, ET AL PLAINTIFFS, V.

GENERAL MOTORS, LLC, DEFENDANT

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# MOTION FOR LEAVE TO FILE FIRST AMENDED COMPLAINT

COME NOW Plaintiffs, by counsel, and hereby move the Court for leave to file First Amended Complaint in order to comply with rulings of the Bankruptcy Court. As grounds for this Motion, Plaintiffs state as follows:

- 1. Plaintiffs' original Complaint, included claims for damages potentially related to prebankruptcy conduct of "Old GM," among other claims.
- 2. On June 1, 2015, and as amended by a September 3, 2015 scheduling order, the United States Bankruptcy Court for the Southern District of New York has determined that certain claims, related to vehicles manufactured by Motors Liquidation Company (Old GM), cannot be maintained against General Motors LLC (New GM). See, In re: MOTORS LIQUIDATION COMPANY, et al., f/k/a General Motors Corp., et al., Case No. 09-50026 (REG)
- 3. On September 24, 2015, this Court entered Order No. 81 to streamline the amendment process. In accordance with this order, Plaintiffs have attached hereto a redline version of the original complaint as Exhibit A and a Proposed Amended Petition as Exhibit B.

WHEREFORE, Plaintiffs respectfully request that this Court enter an Order directing the filing of tendered Proposed Amended Petition.

Dated: September 30, 2015

Respectfully submitted,

# THE POTTS LAW FIRM, LLP

By: /s/ Eric G. Jensen\_

 Eric G. Jensen
 MO# 43094

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 NY #44882

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# **ATTORNEYS FOR PLAINTIFFS**

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UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YOR	RK	
IN RE: GENERAL MOTORS LLC IGNITION	SWITCH LITIGATION	14-MD-2543 (JMF)
This Document Relates to:	Х	Case No.
PAUL PATTERSON, ET AL	Complaint	

PLAINTIFFS,

Jury Trial Demanded

V.

**GENERAL MOTORS, LLC, DEFENDANT** 

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# **ORIGINAL COMPLAINT**

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COME NOW Plaintiffs, through undersigned counsel, and for cause of action respectfully shows as follows:

#### I. PRELIMINARY STATEMENT

1. Plaintiffs were involved in accidents, and received injuries, in GM vehicles that have been recalled because of defective ignition switches. Each incident, explained below, was proximately caused by the failure of each Plaintiff's ignition switch and/or their injuries were exacerbated because the defective ignition switch prevented their airbag from deploying. All Plaintiffs were damaged and received personal injuries as a result of the defective ignition switch in their GM vehicles.

Plaintiffs' causes of action are brought against GENERAL MOTORS LLC ("New 2. GM"). Plaintiffs do not assert any causes of action against General Motors Corporation ("Old GM"), although, in some cases, Old GM manufactured Plaintiffs' vehicles. The incidents at issue in this case occurred after the Old GM bankruptcy, which is discussed briefly below. The subject

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vehicles have been recalled by General Motors LLC, and New GM is strictly liable for the incident.

3. While at times this Complaint references acts and omissions by Old GM, these references are for background purposes only. Old GM arguably ceased to exist pursuant to the June 26, 2009 Amended and Restated Master Sale and Purchase Agreement wherein New GM acquired certain Old GM assets. That Amended and Restated Master Sale and Purchase Agreement was approved on July 10, 2009. In that Agreement, New GM expressly agreed to accept responsibility for product liability claims that arose from accidents or incidents occurring on or after July 10, 2009.

4. While New GM expressly accepted responsibility for accidents occurring on or after July 10, 2009, it also acquired knowledge of Old GM's activities generally, and the existence of the defective ignition switches in place in millions of vehicles specifically. New GM acquired personnel from Old GM, including but not limited to, top leadership personnel, executives, members of the Board of Directors, internal legal counsel, engineers and quality control personnel. Most importantly, New GM retained the engineer in charge of designing and approving the manufacturing specifications of the defective ignition switch. The employees retained by New GM carried with them the knowledge they gained at Old GM. New GM also acquired knowledge about the issues with the ignition switch, moving stalls and airbag non-deployment through the chief engineer, design and manufacturing documents, internal memorandum, and reports to the Board of Directors. New GM continued to service – and to receive complaints about – vehicles manufactured on Old GM's watch. While the change from Old GM to New GM arguably had some legal effect with regard to creditors who received notice of their rights, it had little practical effect relative to the problems with, and knowledge of, the ignition-switch defect.

5. New GM also acquired certain duties with regard to vehicles in production and on

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the road at the time of the Sale and Purchase Agreement – duties it breached egregiously – as has been well-publicized and for which it has been justifiably criticized. These duties included, but are not limited to, those arising under the National Traffic and Motor Vehicle Safety Act, 49 U.S.C. § 30101 *et. seq.* and the Transportation Recall Enhancement, Accountability and Documentation Act, 49 U.S.C. §§ 30101 – 30170. GM was fined \$35 Million by NTSHA for its delayed reporting of the ignition switch problem and violating federal safety laws. New GM's liability for damages is attributable to its own post-sale conduct and failure to timely remedy and/or recall vehicles it knew had deadly defects, even with regard to vehicles manufactured and sold prior to the Sale and Purchase Agreement. Plaintiffs' cases are a prime example of liability and gross negligence that is inarguably attributable solely to New GM, as is shown below.

# II. INTRODUCTION

6. At the time of this filing, more than 12,000,000 GM vehicles have been recalled because of a defective ignition switch. Hundreds, if not thousands, of accidents are now known to have been caused by vehicles losing power and control because the defective ignition switch turned from "on" to "off" during normal and foreseeable operation. When the ignition switch fails, drivers are unable to use their steering and brakes in an effective manner. The resulting loss of control, or "moving stall," and subsequent accidents are exacerbated by the fact that the defective ignition switch also prevents life-saving airbags from deploying. So, in addition to causing accidents, the defective part makes the resulting damages even greater. As used in this Complaint, the "Subject Vehicles" refers to the GM vehicles manufactured, upon information and belief, on the Delta Platform, sold in the United States, equipped at the time of sale with ignition switches (the "Ignition Switches"), and sharing a common defective design, including the following makes and model years:

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# **Buick:**

- Lacrosse (2005 2009)
- Lucerne (2006 2011)

# **Cadillac:**

- CTS (2003 2014)
- Deville (2000 2005)
- DTS (2006 2011)
- SRX (2004 2006)

# **Chevrolet:**

- Camaro (2010 2014)
- Cobalt (2005 2010)
- HHR (2006 2011)
- Impala (2000 2014)
- Malibu (1997 2005)
- Monte Carlo (2000 2007)

# **Oldsmobile:**

- Alero (1999 2004)
- Intrigue (1998 2002)

# **Pontiac:**

- G5 (2007 2010)
- Grand Am (1999 2005)
- Grand Prix (2004 2008)
- Solstice (2006 2010)

## <u>Saturn:</u>

- Ion (2003 2007)
- Sky (2007 2010)

7. Each of the vehicles driven by Plaintiffs is included in the above-listed "Subject Vehicles" and contained the defective Ignition Switch that is the subject of the 2014 GM ignition switch recalls. Plaintiffs' vehicles were in substantially the same condition as when each left the manufacturer and contained a defective ignition switch that, upon information and belief was the proximate and producing cause of the incident at issue and Plaintiffs' resulting injuries and damages.

8. The Ignition Switch that was approved by GM and installed in the GM Subject

Vehicles identified above, was one of several switches manufactured at GM's direction in 2001.

Each type of switch was manufactured, tested and evaluated by GM engineers prior to production.

The switch that was ultimately selected by GM (the "Delta Switch") had a shorter spring in the detent plunger that gave it a smoother, more "European" feel. Another switch was identical to the Delta Switch in every respect except that it used a longer spring in the detent plunger. The longer spring increased the torque required to engage and disengage the ignition switch – it made it hard to turn the key in both directions. The longer spring also sacrificed the smooth feel that was so

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important to GM.

9. According to the recently published "Report to the Board of Directors of General Motors Company Regarding Ignition Switch Recalls" authored by Anton R. Valukas ("The Valukas Report"), GM made a conscious decision, in the fall of 2002, to use the Delta Switch in the Subject Vehicles "that was so far below GM's own specifications that it failed to keep the car powered on in circumstances that drivers would encounter." GM knew of, and approved, the final version of the Ignition Switch that was installed in millions of cars despite knowing that the force required to disengage the ignition switch was far below minimum specifications.

10. According to documents obtained by a United States House of Representatives committee during an investigation into the Defective Ignition Switches, GM opened an engineering inquiry about the defective Ignition Switch in 2004 after customers complained that the Subject Vehicles could be turned off while driving. Also according to those documents, the Cobalt program engineer rejected a proposal to change the Ignition Switch claiming that the part was too expensive and the change would take too much time – after he experienced the same problem while performing a test drive of a Cobalt. The cost that the project engineer found intolerably high was less than one dollar per vehicle.

11. The switch was eventually redesigned in 2006, although using the same part number as the Delta Switch. Remarkably, the solution to the torqueing problem had been present since 2001; all that needed to be done was use the longer spring that had already been tested in the design phase. No other changes were made to the switch and, aside from affecting the "European" feel of the switch, the new switch with the longer spring functioned capably. The longer spring also brought the ignition switch into spec with regard to torque force.

12. The decision to use the same part number meant that already-produced Delta

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Switches continued to be installed in GM vehicles even after the attempted design correction was implemented. Apparently GM's chief design engineer "forgot" the change had been made to correct the torque issue. This additional blunder exacerbated the problem with the GM vehicles; GM had no idea what cars had the Delta Switch and which had the switch with the new, longer spring.

13. Although the switch's inability to keep the car powered on during normal and foreseeable use of the subject vehicles "were known within GM's engineering ranks at the earliest stages of its [the switch's] production," GM ignored the safety risks attendant to these "moving stalls." These risks include, but are not limited to, sudden failure of: power steering, anti-lock brakes, electronic stability control, lane departure warnings, navigation systems, and airbag deployment. These sudden system failures made the Subject Vehicles impossible to control and, once the inevitable accident occurred, left the driver and passengers without life-saving airbags.

14. Apparently, GM viewed the defective ignition switches as a convenience and comfort and looked everywhere but at the design to determine the problem. GM failed to focus on the safety problems with the ignition switch turning a vehicle off during normal operation and, inexplicably, failed to link the power failure with a failure to allow airbags to deploy in a resulting accident.

15. Also according to The Valukas Report:

"While GM heard over and over from various quarters – including customers, dealers, the press and their own employees – that the car's ignition switch led to moving stalls, group after group and committee after committee within GM that reviewed the issue failed to take action or acted too slowly. Although everyone had responsibility to fix the problem, nobody took responsibility. It was an example of what one top executive described as the "GM nod," when everyone nods in agreement to a proposed plan of action, but then leave the room and does nothing."

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16. Although GM was aware (after the Purchase and Sale Agreement with Old GM) of the problem with the switches, the link between the defect and airbag non-deployment, hundreds of accidents, and dozens of acknowledged deaths attributable to the defective ignition switches, GM did not even begin recalling the Subject Vehicles until 2014. Not even the solution is attributable to GM – it was a plaintiff attorney's investigator that finally disassembled the defective part and discovered the problem that GM had been incapable of discovering for a dozen years.

17. Instead of accepting the defects in the Subject Vehicles and Ignition Switches as real safety issues, GM publically denied that either was a problem. Instead of working to identify and correct the problem, GM, its directors, engineers and counsel devoted their efforts to minimizing the perceived frequency and pervasiveness of the problems. Instead of accepting responsibility for the incidents and tragedies they caused, Defendant focused on "defending the brand" and public relations. Defendant knew, or in the exercise of the most basic diligence, should have known that a defect that causes system-wide failure of key components presented a significant safety risk to the public.

18. As a result of GM's negligent, reckless, and malicious conduct, Plaintiffs' owned and operated a vehicle with a defective ignition switch, described by the designing engineer as "the switch from hell." The defective ignition switch is believed to be the cause of Plaintiffs' accidents and resulting catastrophic injuries, which are explained more fully below.

#### **III. PARTIES**

- 19. Plaintiff Paul Patterson is a resident of the State of Kentucky.
- 20. Plaintiff Anthony Bellows is a resident of the State of Kentucky.

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- 21. Plaintiff Tabitha Young is a resident of the State of Kentucky.
- 22. Plaintiff Gelisa Hayes is a resident of the State of Louisiana.
- 23. Plaintiff Gelisa Hayes, Individually and on Behalf of LH, A Minor, reside in the State of Louisiana.
- 24. Plaintiff Natasha Davis is a resident of the State of Louisiana.
- Plaintiff Shawn Barnes, Individually and on Behalf of CD, A Minor, reside in the State of Louisiana.
- Plaintiff Shawn Barnes, Individually and on Behalf of JD, A Minor, reside in the State of Louisiana.
- Plaintiff Shawn Barnes, Individually and on Behalf of MS, A Minor, reside in the State of Louisiana.
- 28. Plaintiff Andrea Clark is a resident of the State of Louisiana.
- 29. Plaintiff Crystal King is a resident of the State of Louisiana.
- 30. Plaintiff Frank Palmer, Sr. is a resident of the State of Louisiana.
- 31. Plaintiff Beatrice Webb-Palmer is a resident of the State of Louisiana.
- 32. Plaintiff Neda Parandian is a resident of the State of Louisiana.
- 33. Plaintiff Amanda Snelson is a resident of the State of Louisiana.
- 34. Plaintiff Jacqueline Perry is a resident of the State of Tennessee.
- 35. Plaintiff Debby Branham is a resident of the State of Tennessee.
- 36. Plaintiff Scott Michael Chastain is a resident of the State of Kentucky.
- 37. Plaintiff Marty Devos is a resident of the State of Kentucky.
- 38. Plaintiff Anthony Jones is a resident of the State of Tennessee.
- 39. Defendant General Motors LLC ("New GM") is a Delaware limited liability

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company with its principal place of business at 300 Renaissance Center, MC: 482-C14-C66, Detroit, Michigan 48265 and may be served with process through service on its designated agent for service of process, CSC-Lawyers Incorporating Service, 80 State Street, Albany, New York, 12207-2543. At all times relevant herein, General Motors Corporation and its successor in interest GENERAL MOTORS LLC were engaged in the business of designing, manufacturing, constructing, assembling, marketing, warranting, distributing, selling, leasing, and servicing automobiles, including the Subject Vehicle, as described in this Complaint, and other motor vehicles and motor vehicle components throughout the United States. General Motors LLC has sufficient contacts with New York, such that under the New York Long Arm Statute it is subject to, and has submitted to, the jurisdiction of this Court.

## IV. JURISDICTION AND VENUE

40. Jurisdiction is proper in this Court pursuant to Case Management Order No. 8 in *In re General Motors LLC Ignition Switch Litigation*, [14-MC-2543, Dkt. No. 36]. By filing this Complaint in this district, however, Plaintiffs do not waive their rights to transfer this case to the district in which they reside at the conclusion of pretrial proceedings. Moreover, Plaintiffs do not waive their rights or consent with regard to choice of law by filing directly into the MDL Court pursuant to the Court's Case Management Order No. 8 and specifically rely on representations by GM to the Court that Plaintiffs will not be prejudiced by their decision to file directly into the MDL Court in the interest of convenience and judicial economy.

41. This Court also has jurisdiction over this matter under 28 U.S.C. § 1332(a) because the amount in controversy exceeds \$75,000 and Plaintiffs are each and every one a citizen of a different state than Defendant.

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# V. FACTUAL BACKGROUND

42. On October 1, 2010, Plaintiff Paul Patterson was operating a 2007 Chevrolet HHR, Vehicle Identification Number 3GNDA33P57S539409. While traveling south bound on KY121 North in Coldwater, Calloway County, Kentucky, Plaintiff's vehicle traveled off the right shoulder of the roadway. Plaintiff attempted to correct said vehicle, however, the steering would not respond due to the defective ignition switch, and traveled down the ditch, striking a culvert.

43. Plaintiff Paul Patterson was injured in the incident. He suffered injuries to his left shoulder and tail bone that caused him impairment and for which he was required to seek medical attention.

44. On March 5, 2014, Plaintiff Anthony Bellows was a passenger in a 2003 Saturn Ion, Vehicle Identification Number 1G8AJ52F632102607. The driver was attempting to turn at the intersection of Shepherdsville Road and Famous Way, in Louisville, Jefferson County, Kentucky, when the vehicle died due to the defective ignition switch. The vehicle lost its power steering and brakes, causing the vehicle to collide with another vehicle.

45. Plaintiff Anthony Bellows was injured in the incident. He suffered injuries to his back and neck that caused him impairment and for which he was required to seek medical attention.

46. On March 5, 2014, Plaintiff Tabitha Young was operating a 2003 Saturn Ion, Vehicle Identification Number 1G8AJ52F632102607. Plaintiff was attempting to turn at the intersection of Shepherdsville Road and Famous Way, in Louisville, Jefferson County, Kentucky, when the vehicle she was operating, died due to the defective ignition switch. The vehicle lost its power steering and brakes, causing her vehicle to collide with another vehicle.

47. Plaintiff Tabitha Young was injured in the incident. She suffered injuries to her low back that caused her impairment and for which she was required to seek medical attention.

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48. On March 10, 2010, Plaintiff Gelisa Hayes was operating a 2007 Chevrolet Cobalt, Vehicle Identification Number 1G1AK157577372218. While traveling West on Airline Highway in East Baton Rouge Parish, in Baton Rouge, Louisiana, another vehicle cut across Plaintiff's lane. Plaintiff attempted to swerve around the other vehicle, when Plaintiff's steering locked up due to the defective ignition switch. Plaintiff's vehicle lost its power steering, causing her vehicle to collide with the other vehicle.

49. Plaintiff Gelisa Hayes was injured in the incident. She suffered injuries to her neck and back that caused her impairment and for which she was required to seek medical attention.

50. On March 10, 2010, Minor Plaintiff, LH, was a passenger in a 2007 Chevrolet Cobalt, Vehicle Identification Number 1G1AK157577372218. While traveling West on Airline Highway in East Baton Rouge Parish, in Baton Rouge, Louisiana, another vehicle cut across Plaintiff's lane. The driver of Plaintiff's vehicle attempted to swerve around the other vehicle, when Plaintiff's steering locked up due to the defective ignition switch. Plaintiff's vehicle lost its power steering, causing the vehicle he was riding in to collide with the other vehicle.

51. Minor Plaintiff LH was injured in the incident. She suffered injuries to her face and right eyebrow that caused impairment and for which she was required to seek medical attention.

52. On June 8, 2012, Plaintiff Natasha Davis was operating a 2006 Chevrolet Cobalt, Vehicle Identification Number 1G1AL58F267695270. While traveling South on Glen Della Drive, attempting to turn left onto U.S. Highway 90 in Jefferson Parish, Avondale, Louisiana, when Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and its ability to accelerate, causing another vehicle to collide with Plaintiff's vehicle.

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53. Plaintiff Natasha Davis was injured in the incident. She suffered injuries to her head, chest, neck and back that caused impairment and for which she was required to seek medical attention.

54. On June 8, 2012, Minor Plaintiff JD was a passenger in a 2006 Chevrolet Cobalt, Vehicle Identification Number 1G1AL58F267695270. While the driver was traveling South on Glen Della Drive, attempting to turn left onto U.S. Highway 90 in Jefferson Parish, Avondale, Louisiana, when Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and ability to accelerate, causing another vehicle to collide with Plaintiff's vehicle.

55. Minor Plaintiff JD was injured in the incident. She suffered injuries to her right elbow and had glass in her eyes that caused impairment and for which she was required to seek medical attention.

56. On June 8, 2012, Minor Plaintiff MS was a passenger in a 2006 Chevrolet Cobalt, Vehicle Identification Number 1G1AL58F267695270. While the driver was traveling South on Glen Della Drive, attempting to turn left onto U.S. Highway 90, in Jefferson Parish, Avondale, Louisiana, when Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and ability to accelerate, causing another vehicle to collide with Plaintiff's vehicle.

57. Minor Plaintiff MS was injured in the incident. She suffered injuries to her head and back that caused impairment and for which she was required to seek medical attention.

58. On June 8, 2012, Minor Plaintiff CD was a passenger in a 2006 Chevrolet Cobalt, Vehicle Identification Number 1G1AL58F267695270. While the driver was traveling South on Glen Della Drive, attempting to turn left onto U.S. Highway 90, in Jefferson Parish, Avondale,

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Louisiana, when Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and ability to accelerate, causing another vehicle to collide with Plaintiff's vehicle.

59. Minor Plaintiff CD was injured in the incident. He suffered injuries to his head that caused impairment and for which he was required to seek medical attention.

60. On May 15, 2014, Plaintiff Andrea Clark was a passenger in a 2007 Pontiac G5, Vehicle Identification Number 1GAK15F377164159. Plaintiff's vehicle was proceeding East on the I 10 Service Road in Orleans Parish, New Orleans, Louisiana, when the driver of Plaintiff's vehicle was preparing to make a left turn, Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and the driver of Plaintiff's vehicle could not navigate away a passing vehicle.

61. Plaintiff Andrea Clark was injured in the incident. She suffered injuries to her neck and back that caused impairment and for which she was required to seek medical attention.

62. On August 5, 2014, Plaintiff Crystal King was a passenger in a 2005 Chevrolet Cobalt, Vehicle Identification Number 1G1AL52F657655572. While the driver of Plaintiff's vehicle was preparing to make a right turn onto Canal Boulevard in Caddo Parish, Shreveport, Louisiana, when Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and the driver of Plaintiff's vehicle could not navigate away from an approaching vehicle, colliding in the intersection.

63. On September 3, 2014, Plaintiff Frank Palmer, Sr. was operating a 2007 Saturn Ion, Vehicle Identification Number 1G8AJ55F47Z179803. Plaintiff's vehicle was traveling south bound on LA 45 in Jefferson Parish, Marrero, Louisiana, when his vehicle lost power due to the defective ignition switch. Plaintiff's vehicle also lost its power steering and brakes and Plaintiff

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was unable to avoid colliding with a vehicle in the intersection at LA 45 and Westbank Expressway in Jefferson Parish, Marrero, Louisiana.

64. Plaintiff Frank Palmer, Sr. was injured in the incident. He suffered injuries to his neck, back and left side that caused impairment and for which he was required to seek medical attention.

65. On September 3, 2014, Plaintiff Beatrice Webb-Palmer was a passenger in a 2007 Saturn Ion, Vehicle Identification Number 1 G8AJ55F47Z179803. The driver of Plaintiff's vehicle was traveling south bound on LA 45 in Jefferson Parish, Marrero, Louisiana, when their vehicle lost power due to the defective ignition switch. Plaintiff's vehicle also lost its power steering and brakes and Plaintiff was unable to avoid colliding with a vehicle in the intersection of LA 45 and Westbank Expressway in Jefferson Parish, Marrero, Louisiana.

66. Plaintiff Beatrice Webb-Palmer was injured in the incident. She suffered injuries to her neck and back that caused impairment and for which she was required to seek medical attention.

67. On June 11, 2014, Plaintiff Neda Parandian was operating a 2006 Saturn Ion, Vehicle Identification Number 1G8AJ55F36Z154339. Plaintiff was stopped at a red light in Baton Rouge, Louisiana, when a vehicle slammed in to the front of her vehicle and her airbags did not deploy due to the defective ignition switch.

68. Plaintiff Neda Parandian was injured in the incident. She suffered injuries to her jaw, mouth and back that caused impairment and for which she was required to seek medical attention.

69. On September 27, 2009, Plaintiff Amanda Snelson was operating a 2007 Saturn Ion, Vehicle Identification Number 1B8AJ557872167637. While traveling East on Highway I-

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20, in Caddo Parish, Shreveport, Louisiana, Plaintiff's was attempting to change lanes when her vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and brakes and Plaintiff's vehicle hit a concrete traffic barrier, trapping Plaintiff inside her vehicle.

70. Plaintiff Amanda Snelson was injured in the incident. She suffered injuries to her back and left knee that caused impairment and for which she was required to seek medical attention.

71. On May 17, 2012, Plaintiff Jacqueline Perry was a passenger in a 2005 Chevrolet Cobalt. Plaintiff's vehicle was proceeding on Germantown Road attempting to turn left on to Farmington Road in Germantown, Tennessee, when the vehicle was hit broadside by an oncoming vehicle. Plaintiff's airbags did not deploy upon impact due to the defective ignition switch.

72. Plaintiff Jacqueline Perry was injured in the incident. She suffered injuries to her right shoulder and left clavicle that caused impairment and for which she was required to seek medical attention.

73. On February 17, 2012, Plaintiff Debby Branham was operating a 2010 Chevrolet HHR, Vehicle Identification Number 3GNBACDB6AS561320. Plaintiff was proceeding eastbound on Oliver Springs Highway, near Cutter Lane in Clinton, Tennessee, when her steering locked up due to the defective ignition switch and she lost her power steering and brakes causing her vehicle to leave the roadway, striking a mailbox, then coming to rest in a ditch, catching on fire.

74. Plaintiff Debby Branham was injured in the incident. She suffered injuries to her right hand, forearm, left hand and knees that caused impairment and for which she was required to seek medical attention.

75. On March 12, 2012, Plaintiff Scott Chastain was a passenger in a 2009 Chevrolet

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Cobalt. While the driver was operating said vehicle at the intersection of Hurstbourne Parkway and Whipps Mill Road, in Hurstbourne, Kentucky, a truck struck Plaintiff's vehicle and the airbags did not deploy due to the defective ignition switch.

76. Plaintiff Scott Chastain was injured in the incident. He suffered injuries to his shoulders and back that caused impairment and for which he was required to seek medical attention.

77. On August 28, 2013, Plaintiff Marty Devos was operating a 2005 Chevrolet Malibu. Plaintiff was operating her vehicle in Louisville, Kentucky and while she was stopped at a red light, another vehicle ran a red light striking Plaintiff's vehicle and her airbags did not deploy due to the defective ignition switch.

78. Plaintiff Marty Devos was injured in the incident. She suffered injuries to her face, mouth, teeth, neck, back, left foot, left ankle, left hand and wrist and right elbow that caused impairment and for which she was required to seek medical attention.

79. On October 3, 2014, Plaintiff Anthony Jones was operating a 2004 Chevrolet Malibu, Vehicle Identification Number IG1ZUS4844F115169. While attempting to maneuver a curve on Florance Road in Smyrna, Tennessee, Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and brakes and Plaintiff was unable to steer the vehicle causing Plaintiff to crash into a tree.

80. Plaintiff Anthony Jones was injured in the incident. He suffered injuries to his right forearm and hand that caused impairment and for which he was required to seek medical attention.

# VI. CAUSES OF ACTION

#### A. Strict Product Liability

81. The preceding paragraphs are hereby incorporated by reference as if set forth in full

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here.

82. GM manufactured Plaintiffs' vehicles. GM has admitted publicly, through its recall of the Subject Vehicles that Plaintiffs vehicles contained a defect – namely the faulty ignition switch described above. In addition to GM's admission (through the recall and elsewhere) of the existence of the defective Ignition Switch, several studies have concluded that the Ignition Switch at issue is defective, results in "moving stalls," and airbag non-deployment in crashes.<sup>1</sup>

83. The ignition switch was a substantial factor in bringing about Plaintiffs accidents and resulting injuries; the defective switch also prevented the airbags from deploying.

84. At all times relevant to this action, Plaintiffs were using their vehicles in a proper and foreseeable manner and as it was intended by Defendant to be used when Defendant designed, manufactured, marketed, warranted, and sold the vehicle. Plaintiffs vehicles had not been substantially modified or altered from the condition in which he bought it until the time of the incident that forms the basis of this suit.

85. Plaintiffs could not, through the exercise of reasonable care, have discovered the defect in the Ignition Switch and perceived its danger, nor could they have, through the exercise of reasonable care, avoided the incidents that caused their injuries.

86. Upon information and belief, the defective component was manufactured as it was designed – a design that relied exclusively on GM's approval of the component's performance. According to the Valukas Report, the design itself was so far below GM's specifications that it failed to keep Plaintiffs vehicles powered on during the normal conditions they encountered on the dates of the incidents.

See, e.g. Indiana Transportation Research Center Report, April 25, 2007, GMNTHSA000223985; Keith A. Young, Technical Reconstruction Unit, Wisconsin State Patrol Academy, Collision Analysis & Reconstruction Report Feb. 14, 2007 at GMNTHSA000284395; Erin Shipp's Engineer Report at GMNHTSA000309665.

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87. GM marketed Plaintiffs vehicles, the Subject Vehicles, and Ignition Switches that were designed so that they were not reasonably safe in that they rendered the Subject Vehicles uncontrollable and prevented airbag deployment in a crash. The design of the Ignition Switches and Subject Vehicles was such that the utility of those products did not outweigh the danger of their introduction into the stream of commerce.

88. At the time the Subject Vehicles and the Ignition Switches were produced, there existed, and GM was aware of, cost-effective safer alternative designs that were both feasible and would have made the Subject Vehicles and Ignition Switches safer. Moreover, the safer alternative design would not have impaired the usefulness of the Ignition Switches and Subject Vehicle. In fact, the solution was as simple as using a longer spring, which GM ultimately did in 2006.

89. These design defects were the producing and proximate cause of Plaintiffs accidents and resulting injuries.

90. Defendant also failed to warn the public and Plaintiffs specifically, of the inherent defects in the Subject Vehicles, the Ignition Switches, and Plaintiffs cars specifically. Defendant did not inform the public of these life-threatening defects until 2014. Had Defendant warned Plaintiffs that their vehicles they were driving could experience a "moving stall" during normal operations and/or that the airbags would not deploy in a crash, Plaintiffs would not have bought or continued to operate their vehicles in that defective condition. Defendant's failure to warn Plaintiffs regarding the true capabilities, defects, and limitations of their vehicles were the producing and proximate cause of Plaintiffs incidents and resulting injuries.

91. Defendant knew, or through the exercise of reasonable care, should have known of the defects, capabilities, and limitations of the Subject Vehicles and the Ignition Switches during intended and foreseeable use. This fact has been borne out in the Valukas Report and will

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doubtlessly be bolstered during discovery in this case. The mounting evidence makes it clear that, not only was Defendant aware of these defects, they were consciously indifferent to the high risk of grievous harm attendant to the "ignition switch from hell." Defendant gave no warning, much less an adequate warning, that the Subject Vehicles could experience a "moving stall" or that the airbags would fail to deploy as they should. The only adequate warning Defendant could have possibly given would have been to direct consumers to immediately cease to operate the Subject Vehicles. Defendant eventually recalled the Subject Vehicles, but much too late to be of any help to Plaintiffs.

#### B. Negligence

92. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

93. Defendant owed a duty of care to the public and to Plaintiffs specifically, to design, manufacture, market, warrant, and sell vehicles that were free from dangerous defects and that were capable of being operated safely during normal and foreseeable use.

94. Moreover, Defendant was required by a host of state and federal regulations to design, manufacture, market, warrant, and sell vehicles that were free from dangerous defects and that were capable of being operated safely during normal and foreseeable use.

95. Defendant had a duty to timely discover and remedy defects in the Subject Vehicles, and in Plaintiffs vehicles specifically, that rendered them abnormally dangerous during normal and foreseeable use.

96. Defendant breached the above-cited duties in at least the following respects:

a. Failing to design an ignition switch that maintained a vehicle in an operational condition during normal and foreseeable use of the vehicles;

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- b. Failing to discover defects in the Subject Vehicles, and in Plaintiffs vehicles specifically, in a timely manner;
- c. Marketing and selling vehicles that could, and did, experience "moving stalls" during normal and foreseeable use;
- Failing to warn the public, and Plaintiffs specifically, that the Subject Vehicles could and did experience "moving stalls" during normal and foreseeable use of the vehicles;
- e. Failing to warn the public, and Plaintiffs specifically, that the Subject Vehicles could and did experience airbag non-deployment during crashes in which the airbags should deploy;
- f. Failing to implement proper surveillance procedures to identify, track, and account for incidents related to the failure of the Ignition Switches;
- g. Ignoring incidents and reports that would have led a reasonable manufacturer of vehicles and components to recall and/or remedy defects in the Subject Vehicles;
- h. Allowing vehicles to be placed in the stream of commerce that Defendant knew or should have known suffered from potentially deadly defects; and
- Failing to timely recall the Subject Vehicles when it became apparent, or should have been apparent through the exercise of reasonable care and/or diligence, that crashes were being caused and exacerbated by the faulty Ignition Switches.

97. Defendant's breaches of duty in both common law and statute were the producing and proximate cause of the incident at issue and Plaintiffs damages. Plaintiffs belonged to the class

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of persons meant to be protected by the state and federal regulations breached by Defendant.

#### C. Breach of Express and Implied Warranties; Deceptive Trade Practices

98. The preceding paragraphs are hereby incorporated by reference as if set forth in full here. Plaintiffs who are residents of Kentucky hereby bring this suit pursuant, but not limited, to the Kentucky Revised Code § 367.110, *et. seq.* "The Kentucky Deceptive Trade Practices Act."

99. The preceding paragraphs are hereby incorporated by reference as if set forth in full here. Plaintiffs who are residents of Louisiana hereby bring suit pursuant, but not limited, to the Louisiana Revised Code § 51.1401, *et. seq.* "The Louisiana Deceptive Trade Practices Act."

100. The preceding paragraphs are hereby incorporated by reference as if set forth in full here. Plaintiffs who are residents of Tennessee hereby bring suit pursuant, but not limited, to the Tennessee Consumer Protection Act § 47-18-109. "The Tennessee Consumer Protection Act."

101. The incident in which Plaintiffs were injured was caused by the defective Subject Vehicle and Ignition Switch as described herein. Plaintiffs were consumers who did, and reasonably could have been expected to, use and/or be affected by the Subject Vehicles. Plaintiffs purchased the vehicles at issue in this case, and there existed a privity of contract as that term is known at law.

102. The incident at issue occurred, and Plaintiffs were injured, because their vehicles and ignition switches were defective, as described herein, in that they were not safe for normal and foreseeable use.

103. Defendant expressly and impliedly warranted that the Subject Vehicles would not shut off during normal and foreseeable use, that the Subject Vehicles could be safely operated during normal use, that the essential functions of the Subject Vehicles would remain operable during foreseeable use, and that the airbags would deploy in the case of a crash in which one would

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normally expect the airbags to deploy.

104. Because of the defects described herein, in various public reports, and as admitted by Defendant itself, these (and other) express and implied warranties were breached by Defendant. The Subject Vehicles and Plaintiffs vehicles specifically, were not fit for the ordinary purposes for which such vehicles are used nor were they fit for the specific purpose Defendant represented them to be useful for.

105. Defendant's acts and omissions were deceptive in that the Subject Vehicles and Ignition Switches were advertised and warranted to possess qualities, characteristics and protections that they did not, in fact, possess. The Subject Vehicles and Ignition Switches were represented to be of a particular standard, quality and grade free from defects, of merchantable quality and fit for the purpose for which they were sold and they were not.

106. Defendant's breaches of warranty were the producing and proximate cause of the incident at issue and Plaintiffs damages.

## **D.** Gross Negligence

107. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

108. The evidence referenced in this Complaint and the mounting evidence regarding the recent recalls of millions of defective GM vehicles makes it clear that Defendant is guilty of exceptional misconduct. GM was issued, and agreed to, a record fine by the U.S. Department of Transportation's National Highway Traffic Safety Administration. Defendant has been aware for more than a dozen years that the ignition switches in the Subject Vehicles were grossly inadequate and subjected the driving public to a grave risk of grievous harm. Producing and marketing vehicles that are subject to complete system failures at highway speeds is akin to launching

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millions of torpedoes onto American streets and highways – with unsuspecting consumers inside. Defendant knew about the problem for years and, because of greed and/or gross ineptitude, refused to act on the problem. Instead, Defendant gave the issue the "GM nod." The "GM nod" demonstrates that more than one of Defendant's superior officers in the course of employment ordered, ratified, and/or participated in the malicious conduct. These officers acted maliciously, wantonly, and/or recklessly, and clearly the Defendant is guilty of exceptional misconduct and gross negligence. Plaintiffs demand punitive damages for this conduct.

#### VII. DAMAGES

109. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

110. Plaintiffs, as a result of the liability of Defendant described above, have suffered and makes claims for reasonable and necessary medical expenses incurred as a result of the incident made basis of these suits in the past and future, past and future pain and suffering, lost wages and earning capacity in the past, disfigurement in the past and future, impairment in the past and future and exemplary damages. Plaintiffs also demands statutory penalties be imposed pursuant to the Kentucky Deceptive Trade Practices Act and attorney's fees, the Louisiana Deceptive Trade Practices Act and attorney's fees, and The Tennessee Consumer Protection Act and attorney's fees.

#### VIII. CONCLUSION AND PRAYER

111. Defendant has only recently admitted publically its wrongdoing – albeit not to the full extent and not in time to prevent Plaintiffs injuries – but it admitted wrongdoing nonetheless. As the evidence mounts about what was known and when, it is becoming inescapably clear that Defendant needs to be punished and the victims they have injured need to be compensated. The

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law is powerless to remedy the harms Defendant has caused through its negligent, reckless, and malicious conduct – we cannot restore life or limb. However, justice must be done to the extent we are able, and Plaintiffs demand that Defendant answer for its acts and omissions that led to Plaintiffs damages and be required to pay compensatory and exemplary damages to the full extent allowed by law.

112. WHEREFORE, PREMISES CONSIDERED, Plaintiffs respectfully request Defendant be cited, tried by jury, and, upon verdict in Plaintiffs favor, Judgment be entered against Defendant for:

- a. Actual damages within the jurisdictional limits of this Court;
- b. Property damage and loss;
- c. Exemplary damages to the full extent permitted by law;
- d. Attorney's fees;
- e. Costs of suit;
- f. Pre- and Post-Judgment Interest at the maximum recoverable level; and
- g. All other relief to which the Plaintiffs show themselves justifiably entitled.

**Dated:** March 18, 2015

Respectfully Submitted,

# HEARD ROBINS CLOUD LLP

Jason Dunahoe Sean Teare 2000 West Loop South, 22<sup>nd</sup> Floor Houston, Texas 77027 713.650.1200 Voice 713.650.1400 Facsimile *Attorneys for Plaintiffs, Pro Hac Vice Pending*\*

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UNITED STATES DISTRICT COUR SOUTHERN DISTRICT OF NEW YC		
IN RE: GENERAL MOTORS LLC IGNITION SWITCH LITIGATION		14-MD-2543 (JMF) Case No. <u>1:15-cv-02089-JMF</u>
This Document Relates to: X		
PAUL PATTERSON, ET AL PLAINTIFFS,	Complaint	Jury Trial Demanded

V.

GENERAL MOTORS, LLC, DEFENDANT

#### -----X AMENDED COMPLAINT

COME NOW Plaintiffs, through undersigned counsel, and for cause of action respectfully shows as follows:

# I. PRELIMINARY STATEMENT

1. Plaintiffs were involved in accidents, and received injuries, in GM vehicles that have been recalled because of defective ignition switches. Each incident, explained below, was proximately caused by the failure of each Plaintiff's ignition switch and/or their injuries were exacerbated because the defective ignition switch prevented their airbag from deploying. All Plaintiffs were damaged and received personal injuries as a result of the defective ignition switch in their GM vehicles.

2. Plaintiffs' causes of action are brought against GENERAL MOTORS LLC ("New GM"). Plaintiffs do not assert any causes of action against General Motors Corporation ("Old GM"), although, in some cases, Old GM manufactured Plaintiffs' vehicles. The incidents at issue in this case occurred after the Old GM bankruptcy, which is discussed briefly below. The subject

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vehicles have been recalled by General Motors LLC, and New GM is strictly liable for the incident.

3. While at times this Complaint references acts and omissions by Old GM, these references are for background purposes only. Old GM arguably ceased to exist pursuant to the June 26, 2009 Amended and Restated Master Sale and Purchase Agreement wherein New GM acquired certain Old GM assets. That Amended and Restated Master Sale and Purchase Agreement was approved on July 10, 2009. In that Agreement, New GM expressly agreed to accept responsibility for product liability claims that arose from accidents or incidents occurring on or after July 10, 2009.

4. While New GM expressly accepted responsibility for accidents occurring on or after July 10, 2009, it also acquired knowledge of Old GM's activities generally, and the existence of the defective ignition switches in place in millions of vehicles specifically. New GM acquired personnel from Old GM, including but not limited to, top leadership personnel, executives, members of the Board of Directors, internal legal counsel, engineers and quality control personnel. Most importantly, New GM retained the engineer in charge of designing and approving the manufacturing specifications of the defective ignition switch. The employees retained by New GM carried with them the knowledge they gained at Old GM. New GM also acquired knowledge about the issues with the ignition switch, moving stalls and airbag non-deployment through the chief engineer, design and manufacturing documents, internal memorandum, and reports to the Board of Directors. New GM continued to service – and to receive complaints about – vehicles manufactured on Old GM's watch. While the change from Old GM to New GM arguably had some legal effect with regard to creditors who received notice of their rights, it had little practical effect relative to the problems with, and knowledge of, the ignition-switch defect.

5. New GM also acquired certain duties with regard to vehicles in production and on

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the road at the time of the Sale and Purchase Agreement – duties it breached egregiously – as has been well-publicized and for which it has been justifiably criticized. These duties included, but are not limited to, those arising under the National Traffic and Motor Vehicle Safety Act, 49 U.S.C. § 30101 *et. seq.* and the Transportation Recall Enhancement, Accountability and Documentation Act, 49 U.S.C. §§ 30101 – 30170. GM was fined \$35 Million by NTSHA for its delayed reporting of the ignition switch problem and violating federal safety laws. New GM's liability for damages is attributable to its own post-sale conduct and failure to timely remedy and/or recall vehicles it knew had deadly defects, even with regard to vehicles manufactured and sold prior to the Sale and Purchase Agreement. Plaintiffs' cases are a prime example of liability and gross negligence that is inarguably attributable solely to New GM, as is shown below.

#### II. INTRODUCTION

6. At the time of this filing, more than 12,000,000 GM vehicles have been recalled because of a defective ignition switch. Hundreds, if not thousands, of accidents are now known to have been caused by vehicles losing power and control because the defective ignition switch turned from "on" to "off" during normal and foreseeable operation. When the ignition switch fails, drivers are unable to use their steering and brakes in an effective manner. The resulting loss of control, or "moving stall," and subsequent accidents are exacerbated by the fact that the defective ignition switch also prevents life-saving airbags from deploying. So, in addition to causing accidents, the defective part makes the resulting damages even greater. As used in this Complaint, the "Subject Vehicles" refers to the GM vehicles manufactured, upon information and belief, on the Delta Platform, sold in the United States, equipped at the time of sale with ignition switches (the "Ignition Switches"), and sharing a common defective design, including the following makes and model years:

# **Buick:**

- Lacrosse (2005 2009)
- Lucerne (2006 2011)

# Cadillac:

- CTS (2003 2014)
- Deville (2000 2005)
- DTS (2006 2011)
- SRX (2004 2006)

# **Chevrolet:**

- Camaro (2010 2014)
- Cobalt (2005 2010)
- HHR (2006 2011)
- Impala (2000 2014)
- Malibu (1997 2005)
- Monte Carlo (2000 2007)

# **Oldsmobile:**

- Alero (1999 2004)
- Intrigue (1998 2002)

# **Pontiac:**

- G5 (2007 2010)
- Grand Am (1999 2005)
- Grand Prix (2004 2008)
- Solstice (2006 2010)

# <u>Saturn:</u>

- Ion (2003 2007)
- Sky (2007 2010)

7. Each of the vehicles driven by Plaintiffs is included in the above-listed "Subject Vehicles" and contained the defective Ignition Switch that is the subject of the 2014 GM ignition switch recalls. Plaintiffs' vehicles were in substantially the same condition as when each left the manufacturer and contained a defective ignition switch that, upon information and belief was the proximate and producing cause of the incident at issue and Plaintiffs' resulting injuries and damages.

8. The Ignition Switch that was approved by GM and installed in the GM Subject Vehicles identified above, was one of several switches manufactured at GM's direction in 2001. Each type of switch was manufactured, tested and evaluated by GM engineers prior to production. The switch that was ultimately selected by GM (the "Delta Switch") had a shorter spring in the detent plunger that gave it a smoother, more "European" feel. Another switch was identical to the Delta Switch in every respect except that it used a longer spring in the detent plunger. The longer

spring increased the torque required to engage and disengage the ignition switch – it made it hard to turn the key in both directions. The longer spring also sacrificed the smooth feel that was so

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important to GM.

9. According to the recently published "Report to the Board of Directors of General Motors Company Regarding Ignition Switch Recalls" authored by Anton R. Valukas ("The Valukas Report"), GM made a conscious decision, in the fall of 2002, to use the Delta Switch in the Subject Vehicles "that was so far below GM's own specifications that it failed to keep the car powered on in circumstances that drivers would encounter." GM knew of, and approved, the final version of the Ignition Switch that was installed in millions of cars despite knowing that the force required to disengage the ignition switch was far below minimum specifications.

10. According to documents obtained by a United States House of Representatives committee during an investigation into the Defective Ignition Switches, GM opened an engineering inquiry about the defective Ignition Switch in 2004 after customers complained that the Subject Vehicles could be turned off while driving. Also according to those documents, the Cobalt program engineer rejected a proposal to change the Ignition Switch claiming that the part was too expensive and the change would take too much time – after he experienced the same problem while performing a test drive of a Cobalt. The cost that the project engineer found intolerably high was less than one dollar per vehicle.

11. The switch was eventually redesigned in 2006, although using the same part number as the Delta Switch. Remarkably, the solution to the torqueing problem had been present since 2001; all that needed to be done was use the longer spring that had already been tested in the design phase. No other changes were made to the switch and, aside from affecting the "European" feel of the switch, the new switch with the longer spring functioned capably. The longer spring also brought the ignition switch into spec with regard to torque force.

12. The decision to use the same part number meant that already-produced Delta

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Switches continued to be installed in GM vehicles even after the attempted design correction was implemented. Apparently GM's chief design engineer "forgot" the change had been made to correct the torque issue. This additional blunder exacerbated the problem with the GM vehicles; GM had no idea what cars had the Delta Switch and which had the switch with the new, longer spring.

13. Although the switch's inability to keep the car powered on during normal and foreseeable use of the subject vehicles "were known within GM's engineering ranks at the earliest stages of its [the switch's] production," GM ignored the safety risks attendant to these "moving stalls." These risks include, but are not limited to, sudden failure of: power steering, anti-lock brakes, electronic stability control, lane departure warnings, navigation systems, and airbag deployment. These sudden system failures made the Subject Vehicles impossible to control and, once the inevitable accident occurred, left the driver and passengers without life-saving airbags.

14. Apparently, GM viewed the defective ignition switches as a convenience and comfort and looked everywhere but at the design to determine the problem. GM failed to focus on the safety problems with the ignition switch turning a vehicle off during normal operation and, inexplicably, failed to link the power failure with a failure to allow airbags to deploy in a resulting accident.

15. Also according to The Valukas Report:

"While GM heard over and over from various quarters – including customers, dealers, the press and their own employees – that the car's ignition switch led to moving stalls, group after group and committee after committee within GM that reviewed the issue failed to take action or acted too slowly. Although everyone had responsibility to fix the problem, nobody took responsibility. It was an example of what one top executive described as the "GM nod," when everyone nods in agreement to a proposed plan of action, but then leave the room and does nothing."

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16. Although GM was aware (after the Purchase and Sale Agreement with Old GM) of the problem with the switches, the link between the defect and airbag non-deployment, hundreds of accidents, and dozens of acknowledged deaths attributable to the defective ignition switches, GM did not even begin recalling the Subject Vehicles until 2014. Not even the solution is attributable to GM – it was a plaintiff attorney's investigator that finally disassembled the defective part and discovered the problem that GM had been incapable of discovering for a dozen years.

17. Instead of accepting the defects in the Subject Vehicles and Ignition Switches as real safety issues, GM publically denied that either was a problem. Instead of working to identify and correct the problem, GM, its directors, engineers and counsel devoted their efforts to minimizing the perceived frequency and pervasiveness of the problems. Instead of accepting responsibility for the incidents and tragedies they caused, Defendant focused on "defending the brand" and public relations. Defendant knew, or in the exercise of the most basic diligence, should have known that a defect that causes system-wide failure of key components presented a significant safety risk to the public.

18. As a result of GM's negligent, reckless, and malicious conduct, Plaintiffs' owned and operated a vehicle with a defective ignition switch, described by the designing engineer as "the switch from hell." The defective ignition switch is believed to be the cause of Plaintiffs' accidents and resulting catastrophic injuries, which are explained more fully below.

#### III. PARTIES

- 19. Plaintiff Paul Patterson is a resident of the State of Kentucky.
- 20. Plaintiff Anthony Bellows is a resident of the State of Kentucky.
- 21. Plaintiff Tabitha Young is a resident of the State of Kentucky.

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- 22. Plaintiff Natasha Davis is a resident of the State of Louisiana.
- Plaintiff Shawn Barnes, Individually and on Behalf of CD, A Minor, reside in the State of Louisiana.
- 24. Plaintiff Shawn Barnes, Individually and on Behalf of JD, A Minor, reside in the State of Louisiana.
- 25. Plaintiff Shawn Barnes, Individually and on Behalf of MS, A Minor, reside in the State of Louisiana.
- 26. Plaintiff Andrea Clark is a resident of the State of Louisiana.
- 27. Plaintiff Frank Palmer, Sr. is a resident of the State of Louisiana.
- 28. Plaintiff Beatrice Webb-Palmer is a resident of the State of Louisiana.
- 29. Plaintiff Neda Parandian is a resident of the State of Louisiana.
- 30. Plaintiff Amanda Snelson is a resident of the State of Louisiana.
- 31. Plaintiff Jacqueline Perry is a resident of the State of Tennessee.
- 32. Plaintiff Debby Branham is a resident of the State of Tennessee.
- 33. Plaintiff Scott Michael Chastain is a resident of the State of Kentucky.
- 34. Plaintiff Marty Devos is a resident of the State of Kentucky.
- 35. Plaintiff Anthony Jones is a resident of the State of Tennessee.

36. Defendant General Motors LLC ("New GM") is a Delaware limited liability company with its principal place of business at 300 Renaissance Center, MC: 482-C14-C66, Detroit, Michigan 48265 and may be served with process through service on its designated agent for service of process, CSC-Lawyers Incorporating Service, 80 State Street, Albany, New York, 12207-2543. At all times relevant herein, General Motors Corporation and its successor in interest GENERAL MOTORS LLC were engaged in the business of designing, manufacturing,

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constructing, assembling, marketing, warranting, distributing, selling, leasing, and servicing automobiles, including the Subject Vehicle, as described in this Complaint, and other motor vehicles and motor vehicle components throughout the United States. General Motors LLC has sufficient contacts with New York, such that under the New York Long Arm Statute it is subject to, and has submitted to, the jurisdiction of this Court.

# IV. JURISDICTION AND VENUE

37. Jurisdiction is proper in this Court pursuant to Case Management Order No. 8 in *In re General Motors LLC Ignition Switch Litigation*, [14-MC-2543, Dkt. No. 36]. By filing this Complaint in this district, however, Plaintiffs do not waive their rights to transfer this case to the district in which they reside at the conclusion of pretrial proceedings. Moreover, Plaintiffs do not waive their rights or consent with regard to choice of law by filing directly into the MDL Court pursuant to the Court's Case Management Order No. 8 and specifically rely on representations by GM to the Court that Plaintiffs will not be prejudiced by their decision to file directly into the MDL Court in the interest of convenience and judicial economy.

38. This Court also has jurisdiction over this matter under 28 U.S.C. § 1332(a) because the amount in controversy exceeds \$75,000 and Plaintiffs are each and every one a citizen of a different state than Defendant.

# V. FACTUAL BACKGROUND

39. On October 1, 2010, Plaintiff Paul Patterson was operating a 2007 Chevrolet HHR, Vehicle Identification Number 3GNDA33P57S539409. While traveling south bound on KY121 North in Coldwater, Calloway County, Kentucky, Plaintiff's vehicle traveled off the right shoulder of the roadway. Plaintiff attempted to correct said vehicle, however, the steering would not respond due to the defective ignition switch, and traveled down the ditch, striking a culvert.

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40. Plaintiff Paul Patterson was injured in the incident. He suffered injuries to his left shoulder and tail bone that caused him impairment and for which he was required to seek medical attention.

41. On March 5, 2014, Plaintiff Anthony Bellows was a passenger in a 2003 Saturn Ion, Vehicle Identification Number 1G8AJ52F632102607. The driver was attempting to turn at the intersection of Shepherdsville Road and Famous Way, in Louisville, Jefferson County, Kentucky, when the vehicle died due to the defective ignition switch. The vehicle lost its power steering and brakes, causing the vehicle to collide with another vehicle.

42. Plaintiff Anthony Bellows was injured in the incident. He suffered injuries to his back and neck that caused him impairment and for which he was required to seek medical attention.

43. On March 5, 2014, Plaintiff Tabitha Young was operating a 2003 Saturn Ion, Vehicle Identification Number 1G8AJ52F632102607. Plaintiff was attempting to turn at the intersection of Shepherdsville Road and Famous Way, in Louisville, Jefferson County, Kentucky, when the vehicle she was operating, died due to the defective ignition switch. The vehicle lost its power steering and brakes, causing her vehicle to collide with another vehicle.

44. Plaintiff Tabitha Young was injured in the incident. She suffered injuries to her low back that caused her impairment and for which she was required to seek medical attention.

45. On March 10, 2010, Minor Plaintiff, LH, was a passenger in a 2007 Chevrolet Cobalt, Vehicle Identification Number 1G1AK157577372218. While traveling West on Airline Highway in East Baton Rouge Parish, in Baton Rouge, Louisiana, another vehicle cut across Plaintiff's lane. The driver of Plaintiff's vehicle attempted to swerve around the other vehicle, when Plaintiff's steering locked up due to the defective ignition switch. Plaintiff's vehicle lost its power steering, causing the vehicle he was riding in to collide with the other vehicle.

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46. Minor Plaintiff LH was injured in the incident. She suffered injuries to her face and right eyebrow that caused impairment and for which she was required to seek medical attention.

47. On June 8, 2012, Plaintiff Natasha Davis was operating a 2006 Chevrolet Cobalt, Vehicle Identification Number 1G1AL58F267695270. While traveling South on Glen Della Drive, attempting to turn left onto U.S. Highway 90 in Jefferson Parish, Avondale, Louisiana, when Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and its ability to accelerate, causing another vehicle to collide with Plaintiff's vehicle.

48. Plaintiff Natasha Davis was injured in the incident. She suffered injuries to her head, chest, neck and back that caused impairment and for which she was required to seek medical attention.

49. On June 8, 2012, Minor Plaintiff JD was a passenger in a 2006 Chevrolet Cobalt, Vehicle Identification Number 1G1AL58F267695270. While the driver was traveling South on Glen Della Drive, attempting to turn left onto U.S. Highway 90 in Jefferson Parish, Avondale, Louisiana, when Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and ability to accelerate, causing another vehicle to collide with Plaintiff's vehicle.

50. Minor Plaintiff JD was injured in the incident. She suffered injuries to her right elbow and had glass in her eyes that caused impairment and for which she was required to seek medical attention.

51. On June 8, 2012, Minor Plaintiff MS was a passenger in a 2006 Chevrolet Cobalt, Vehicle Identification Number 1G1AL58F267695270. While the driver was traveling South on

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Glen Della Drive, attempting to turn left onto U.S. Highway 90, in Jefferson Parish, Avondale, Louisiana, when Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and ability to accelerate, causing another vehicle to collide with Plaintiff's vehicle.

52. Minor Plaintiff MS was injured in the incident. She suffered injuries to her head and back that caused impairment and for which she was required to seek medical attention.

53. On June 8, 2012, Minor Plaintiff CD was a passenger in a 2006 Chevrolet Cobalt, Vehicle Identification Number 1G1AL58F267695270. While the driver was traveling South on Glen Della Drive, attempting to turn left onto U.S. Highway 90, in Jefferson Parish, Avondale, Louisiana, when Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and ability to accelerate, causing another vehicle to collide with Plaintiff's vehicle.

54. Minor Plaintiff CD was injured in the incident. He suffered injuries to his head that caused impairment and for which he was required to seek medical attention.

55. On May 15, 2014, Plaintiff Andrea Clark was a passenger in a 2007 Pontiac G5, Vehicle Identification Number 1GAK15F377164159. Plaintiff's vehicle was proceeding East on the I 10 Service Road in Orleans Parish, New Orleans, Louisiana, when the driver of Plaintiff's vehicle was preparing to make a left turn, Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and the driver of Plaintiff's vehicle could not navigate away a passing vehicle.

56. Plaintiff Andrea Clark was injured in the incident. She suffered injuries to her neck and back that caused impairment and for which she was required to seek medical attention.

57. On September 3, 2014, Plaintiff Frank Palmer, Sr. was operating a 2007 Saturn Ion,

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Vehicle Identification Number 1G8AJ55F47Z179803. Plaintiff's vehicle was traveling south bound on LA 45 in Jefferson Parish, Marrero, Louisiana, when his vehicle lost power due to the defective ignition switch. Plaintiff's vehicle also lost its power steering and brakes and Plaintiff was unable to avoid colliding with a vehicle in the intersection at LA 45 and Westbank Expressway in Jefferson Parish, Marrero, Louisiana.

58. Plaintiff Frank Palmer, Sr. was injured in the incident. He suffered injuries to his neck, back and left side that caused impairment and for which he was required to seek medical attention.

59. On September 3, 2014, Plaintiff Beatrice Webb-Palmer was a passenger in a 2007 Saturn Ion, Vehicle Identification Number 1 G8AJ55F47Z179803. The driver of Plaintiff's vehicle was traveling south bound on LA 45 in Jefferson Parish, Marrero, Louisiana, when their vehicle lost power due to the defective ignition switch. Plaintiff's vehicle also lost its power steering and brakes and Plaintiff was unable to avoid colliding with a vehicle in the intersection of LA 45 and Westbank Expressway in Jefferson Parish, Marrero, Louisiana.

60. Plaintiff Beatrice Webb-Palmer was injured in the incident. She suffered injuries to her neck and back that caused impairment and for which she was required to seek medical attention.

61. On June 11, 2014, Plaintiff Neda Parandian was operating a 2006 Saturn Ion, Vehicle Identification Number 1G8AJ55F36Z154339. Plaintiff was stopped at a red light in Baton Rouge, Louisiana, when a vehicle slammed in to the front of her vehicle and her airbags did not deploy due to the defective ignition switch.

62. Plaintiff Neda Parandian was injured in the incident. She suffered injuries to her jaw, mouth and back that caused impairment and for which she was required to seek medical

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attention.

63. On September 27, 2009, Plaintiff Amanda Snelson was operating a 2007 Saturn Ion, Vehicle Identification Number 1B8AJ557872167637. While traveling East on Highway I-20, in Caddo Parish, Shreveport, Louisiana, Plaintiff's was attempting to change lanes when her vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and brakes and Plaintiff's vehicle hit a concrete traffic barrier, trapping Plaintiff inside her vehicle.

64. Plaintiff Amanda Snelson was injured in the incident. She suffered injuries to her back and left knee that caused impairment and for which she was required to seek medical attention.

65. On May 17, 2012, Plaintiff Jacqueline Perry was a passenger in a 2005 Chevrolet Cobalt. Plaintiff's vehicle was proceeding on Germantown Road attempting to turn left on to Farmington Road in Germantown, Tennessee, when the vehicle was hit broadside by an oncoming vehicle. Plaintiff's airbags did not deploy upon impact due to the defective ignition switch.

66. Plaintiff Jacqueline Perry was injured in the incident. She suffered injuries to her right shoulder and left clavicle that caused impairment and for which she was required to seek medical attention.

67. On February 17, 2012, Plaintiff Debby Branham was operating a 2010 Chevrolet HHR, Vehicle Identification Number 3GNBACDB6AS561320. Plaintiff was proceeding eastbound on Oliver Springs Highway, near Cutter Lane in Clinton, Tennessee, when her steering locked up due to the defective ignition switch and she lost her power steering and brakes causing her vehicle to leave the roadway, striking a mailbox, then coming to rest in a ditch, catching on fire.

68. Plaintiff Debby Branham was injured in the incident. She suffered injuries to her

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right hand, forearm, left hand and knees that caused impairment and for which she was required to seek medical attention.

69. On March 12, 2012, Plaintiff Scott Chastain was a passenger in a 2009 Chevrolet Cobalt. While the driver was operating said vehicle at the intersection of Hurstbourne Parkway and Whipps Mill Road, in Hurstbourne, Kentucky, a truck struck Plaintiff's vehicle and the airbags did not deploy due to the defective ignition switch.

70. Plaintiff Scott Chastain was injured in the incident. He suffered injuries to his shoulders and back that caused impairment and for which he was required to seek medical attention.

71. On August 28, 2013, Plaintiff Marty Devos was operating a 2005 Chevrolet Malibu. Plaintiff was operating her vehicle in Louisville, Kentucky and while she was stopped at a red light, another vehicle ran a red light striking Plaintiff's vehicle and her airbags did not deploy due to the defective ignition switch.

72. Plaintiff Marty Devos was injured in the incident. She suffered injuries to her face, mouth, teeth, neck, back, left foot, left ankle, left hand and wrist and right elbow that caused impairment and for which she was required to seek medical attention.

73. On October 3, 2014, Plaintiff Anthony Jones was operating a 2004 Chevrolet Malibu, Vehicle Identification Number IG1ZUS4844F115169. While attempting to maneuver a curve on Florance Road in Smyrna, Tennessee, Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and brakes and Plaintiff was unable to steer the vehicle causing Plaintiff to crash into a tree.

74. Plaintiff Anthony Jones was injured in the incident. He suffered injuries to his right forearm and hand that caused impairment and for which he was required to seek medical attention.

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# VI. CAUSES OF ACTION

# A. Strict Product Liability

75. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

76. GM manufactured Plaintiffs' vehicles. GM has admitted publicly, through its recall of the Subject Vehicles that Plaintiffs vehicles contained a defect – namely the faulty ignition switch described above. In addition to GM's admission (through the recall and elsewhere) of the existence of the defective Ignition Switch, several studies have concluded that the Ignition Switch at issue is defective, results in "moving stalls," and airbag non-deployment in crashes.<sup>1</sup>

77. The ignition switch was a substantial factor in bringing about Plaintiffs accidents and resulting injuries; the defective switch also prevented the airbags from deploying.

78. At all times relevant to this action, Plaintiffs were using their vehicles in a proper and foreseeable manner and as it was intended by Defendant to be used when Defendant designed, manufactured, marketed, warranted, and sold the vehicle. Plaintiffs vehicles had not been substantially modified or altered from the condition in which he bought it until the time of the incident that forms the basis of this suit.

79. Plaintiffs could not, through the exercise of reasonable care, have discovered the defect in the Ignition Switch and perceived its danger, nor could they have, through the exercise of reasonable care, avoided the incidents that caused their injuries.

80. Upon information and belief, the defective component was manufactured as it was designed – a design that relied exclusively on GM's approval of the component's performance.

See, e.g. Indiana Transportation Research Center Report, April 25, 2007, GMNTHSA000223985; Keith A. Young, Technical Reconstruction Unit, Wisconsin State Patrol Academy, Collision Analysis & Reconstruction Report Feb. 14, 2007 at GMNTHSA000284395; Erin Shipp's Engineer Report at GMNHTSA000309665.

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According to the Valukas Report, the design itself was so far below GM's specifications that it failed to keep Plaintiffs vehicles powered on during the normal conditions they encountered on the dates of the incidents.

81. GM marketed Plaintiffs vehicles, the Subject Vehicles, and Ignition Switches that were designed so that they were not reasonably safe in that they rendered the Subject Vehicles uncontrollable and prevented airbag deployment in a crash. The design of the Ignition Switches and Subject Vehicles was such that the utility of those products did not outweigh the danger of their introduction into the stream of commerce.

82. At the time the Subject Vehicles and the Ignition Switches were produced, there existed, and GM was aware of, cost-effective safer alternative designs that were both feasible and would have made the Subject Vehicles and Ignition Switches safer. Moreover, the safer alternative design would not have impaired the usefulness of the Ignition Switches and Subject Vehicle. In fact, the solution was as simple as using a longer spring, which GM ultimately did in 2006.

83. These design defects were the producing and proximate cause of Plaintiffs accidents and resulting injuries.

84. Defendant also failed to warn the public and Plaintiffs specifically, of the inherent defects in the Subject Vehicles, the Ignition Switches, and Plaintiffs cars specifically. Defendant did not inform the public of these life-threatening defects until 2014. Had Defendant warned Plaintiffs that their vehicles they were driving could experience a "moving stall" during normal operations and/or that the airbags would not deploy in a crash, Plaintiffs would not have bought or continued to operate their vehicles in that defective condition. Defendant's failure to warn Plaintiffs regarding the true capabilities, defects, and limitations of their vehicles were the producing and proximate cause of Plaintiffs incidents and resulting injuries.

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85. Defendant knew, or through the exercise of reasonable care, should have known of the defects, capabilities, and limitations of the Subject Vehicles and the Ignition Switches during intended and foreseeable use. This fact has been borne out in the Valukas Report and will doubtlessly be bolstered during discovery in this case. The mounting evidence makes it clear that, not only was Defendant aware of these defects, they were consciously indifferent to the high risk of grievous harm attendant to the "ignition switch from hell." Defendant gave no warning, much less an adequate warning, that the Subject Vehicles could experience a "moving stall" or that the airbags would fail to deploy as they should. The only adequate warning Defendant could have possibly given would have been to direct consumers to immediately cease to operate the Subject Vehicles. Defendant eventually recalled the Subject Vehicles, but much too late to be of any help to Plaintiffs.

# B. Negligence

86. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

87. Defendant owed a duty of care to the public and to Plaintiffs specifically, to design, manufacture, market, warrant, and sell vehicles that were free from dangerous defects and that were capable of being operated safely during normal and foreseeable use.

88. Moreover, Defendant was required by a host of state and federal regulations to design, manufacture, market, warrant, and sell vehicles that were free from dangerous defects and that were capable of being operated safely during normal and foreseeable use.

89. Defendant had a duty to timely discover and remedy defects in the Subject Vehicles, and in Plaintiffs vehicles specifically, that rendered them abnormally dangerous during normal and foreseeable use.

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- 90. Defendant breached the above-cited duties in at least the following respects:
  - a. Failing to design an ignition switch that maintained a vehicle in an operational condition during normal and foreseeable use of the vehicles;
  - b. Failing to discover defects in the Subject Vehicles, and in Plaintiffs vehicles specifically, in a timely manner;
  - c. Marketing and selling vehicles that could, and did, experience "moving stalls" during normal and foreseeable use;
  - Failing to warn the public, and Plaintiffs specifically, that the Subject Vehicles could and did experience "moving stalls" during normal and foreseeable use of the vehicles;
  - e. Failing to warn the public, and Plaintiffs specifically, that the Subject Vehicles could and did experience airbag non-deployment during crashes in which the airbags should deploy;
  - f. Failing to implement proper surveillance procedures to identify, track, and account for incidents related to the failure of the Ignition Switches;
  - g. Ignoring incidents and reports that would have led a reasonable manufacturer of vehicles and components to recall and/or remedy defects in the Subject Vehicles;
  - h. Allowing vehicles to be placed in the stream of commerce that Defendant knew or should have known suffered from potentially deadly defects; and
  - i. Failing to timely recall the Subject Vehicles when it became apparent, or should have been apparent through the exercise of reasonable care and/or diligence, that crashes were being caused and exacerbated by the faulty

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Ignition Switches.

91. Defendant's breaches of duty in both common law and statute were the producing and proximate cause of the incident at issue and Plaintiffs damages. Plaintiffs belonged to the class of persons meant to be protected by the state and federal regulations breached by Defendant.

# C. Gross Negligence

92. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

93. The evidence referenced in this Complaint and the mounting evidence regarding the recent recalls of millions of defective GM vehicles makes it clear that Defendant is guilty of exceptional misconduct. GM was issued, and agreed to, a record fine by the U.S. Department of Transportation's National Highway Traffic Safety Administration. Defendant has been aware for more than a dozen years that the ignition switches in the Subject Vehicles were grossly inadequate and subjected the driving public to a grave risk of grievous harm. Producing and marketing vehicles that are subject to complete system failures at highway speeds is akin to launching millions of torpedoes onto American streets and highways – with unsuspecting consumers inside. Defendant knew about the problem for years and, because of greed and/or gross ineptitude, refused to act on the problem. Instead, Defendant gave the issue the "GM nod." The "GM nod" demonstrates that more than one of Defendant's superior officers in the course of employment ordered, ratified, and/or participated in the malicious conduct. These officers acted maliciously, wantonly, and/or recklessly, and clearly the Defendant is guilty of exceptional misconduct and gross negligence. Plaintiffs demand punitive damages for this conduct.

# VII. DAMAGES

94. The preceding paragraphs are hereby incorporated by reference as if set forth in full

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here.

95. Plaintiffs, as a result of the liability of Defendant described above, have suffered and makes claims for reasonable and necessary medical expenses incurred as a result of the incident made basis of these suits in the past and future, past and future pain and suffering, lost wages and earning capacity in the past, disfigurement in the past and future, impairment in the past and future and exemplary damages.

# VIII. CONCLUSION AND PRAYER

96. Defendant has only recently admitted publically its wrongdoing – albeit not to the full extent and not in time to prevent Plaintiffs injuries – but it admitted wrongdoing nonetheless. As the evidence mounts about what was known and when, it is becoming inescapably clear that Defendant needs to be punished and the victims they have injured need to be compensated. The law is powerless to remedy the harms Defendant has caused through its negligent, reckless, and malicious conduct – we cannot restore life or limb. However, justice must be done to the extent we are able, and Plaintiffs demand that Defendant answer for its acts and omissions that led to Plaintiffs damages and be required to pay compensatory and exemplary damages to the full extent allowed by law.

97. WHEREFORE, PREMISES CONSIDERED, Plaintiffs respectfully request Defendant be cited, tried by jury, and, upon verdict in Plaintiffs favor, Judgment be entered against Defendant for:

- a. Actual damages within the jurisdictional limits of this Court;
- b. Property damage and loss;
- c. Exemplary damages to the full extent permitted by law;
- d. Attorney's fees;

e. Costs of suit;

Dated: September 30, 2015

- f. Pre- and Post-Judgment Interest at the maximum recoverable level; and
- g. All other relief to which the Plaintiffs show themselves justifiably entitled.

Respectfully submitted,

THE POTTS LAW FIRM, LLP

By: <u>/s/ Eric G. Jensen</u>\_\_\_\_

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# **ATTORNEYS FOR PLAINTIFFS**

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# EXHIBIT 8

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# UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

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# IN RE: GENERAL MOTORS LLC IGNITION SWITCH LITIGATION

14-MD-2543 (JMF)

This Document Relates to:

Case No. <u>1:15-cv-04088-JMF</u>

-----Х

LATANYA BRADFORD, ET AL PLAINTIFFS, V.

GENERAL MOTORS, LLC, DEFENDANT

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# MOTION FOR LEAVE TO FILE FIRST AMENDED COMPLAINT

COME NOW Plaintiffs, by counsel, and hereby move the Court for leave to file First Amended Complaint in order to comply with rulings of the Bankruptcy Court. As grounds for this Motion, Plaintiffs state as follows:

- 1. Plaintiffs' original Complaint, included claims for damages potentially related to prebankruptcy conduct of "Old GM," among other claims.
- 2. On June 1, 2015, and as amended by a September 3, 2015 scheduling order, the United States Bankruptcy Court for the Southern District of New York has determined that certain claims, related to vehicles manufactured by Motors Liquidation Company (Old GM), cannot be maintained against General Motors LLC (New GM). See, In re: MOTORS LIQUIDATION COMPANY, et al., f/k/a General Motors Corp., et al., Case No. 09-50026 (REG)
- 3. On September 24, 2015, this Court entered Order No. 81 to streamline the amendment process. In accordance with this order, Plaintiffs have attached hereto a redline version of the original complaint as Exhibit A and a Proposed Amended Petition as Exhibit B.

WHEREFORE, Plaintiffs respectfully request that this Court enter an Order directing the filing of tendered Proposed Amended Petition.

Dated: September 30, 2015

Respectfully submitted,

# THE POTTS LAW FIRM, LLP

By: /s/ Eric G. Jensen\_

 Eric G. Jensen
 MO# 43094

 Derek H. Potts
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UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK	X	
IN RE: GENERAL MOTORS LLC IGNITION SWIT	CH LITIGATION	14-MD-2543 (JMF)
This Document Relates to:	X	Case No.
LATANYA BRADFORD, ET AL	Complaint	

PLAINTIFFS,

Jury Trial Demanded

V.

GENERAL MOTORS, LLC, DEFENDANT

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**ORIGINAL COMPLAINT** 

-----X

COME NOW Plaintiffs, through undersigned counsel, and for cause of action respectfully shows as follows:

# I. PRELIMINARY STATEMENT

1. Plaintiffs were involved in accidents, and received injuries, in GM vehicles that have been recalled because of defective ignition switches. Each incident, explained below, was proximately caused by the failure of each Plaintiff's ignition switch and/or their injuries were exacerbated because the defective ignition switch prevented their airbag from deploying. All Plaintiffs were damaged and received personal injuries as a result of the defective ignition switch in their GM vehicles.

2. Plaintiffs' causes of action are brought against GENERAL MOTORS LLC ("New GM"). Plaintiffs do not assert any causes of action against General Motors Corporation ("Old GM"), although, in some cases, Old GM manufactured Plaintiffs' vehicles. The incidents at issue in this case occurred after the Old GM bankruptcy, which is discussed briefly below. The subject

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vehicles have been recalled by General Motors LLC, and New GM is strictly liable for the incident.

3. While at times this Complaint references acts and omissions by Old GM, these references are for background purposes only. Old GM arguably ceased to exist pursuant to the June 26, 2009 Amended and Restated Master Sale and Purchase Agreement wherein New GM acquired certain Old GM assets. That Amended and Restated Master Sale and Purchase Agreement was approved on July 10, 2009. In that Agreement, New GM expressly agreed to accept responsibility for product liability claims that arose from accidents or incidents occurring on or after July 10, 2009.

4. While New GM expressly accepted responsibility for accidents occurring on or after July 10, 2009, it also acquired knowledge of Old GM's activities generally, and the existence of the defective ignition switches in place in millions of vehicles specifically. New GM acquired personnel from Old GM, including but not limited to, top leadership personnel, executives, members of the Board of Directors, internal legal counsel, engineers and quality control personnel. Most importantly, New GM retained the engineer in charge of designing and approving the manufacturing specifications of the defective ignition switch. The employees retained by New GM carried with them the knowledge they gained at Old GM. New GM also acquired knowledge about the issues with the ignition switch, moving stalls and airbag non-deployment through the chief engineer, design and manufacturing documents, internal memorandum, and reports to the Board of Directors. New GM continued to service – and to receive complaints about – vehicles manufactured on Old GM's watch. While the change from Old GM to New GM arguably had some legal effect with regard to creditors who received notice of their rights, it had little practical effect relative to the problems with, and knowledge of, the ignition-switch defect.

5. New GM also acquired certain duties with regard to vehicles in production and on

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the road at the time of the Sale and Purchase Agreement – duties it breached egregiously – as has been well-publicized and for which it has been justifiably criticized. These duties included, but are not limited to, those arising under the National Traffic and Motor Vehicle Safety Act, 49 U.S.C. § 30101 *et. seq.* and the Transportation Recall Enhancement, Accountability and Documentation Act, 49 U.S.C. §§ 30101 – 30170. GM was fined \$35 Million by NTSHA for its delayed reporting of the ignition switch problem and violating federal safety laws. New GM's liability for damages is attributable to its own post-sale conduct and failure to timely remedy and/or recall vehicles it knew had deadly defects, even with regard to vehicles manufactured and sold prior to the Sale and Purchase Agreement. Plaintiffs' cases are a prime example of liability and gross negligence that is inarguably attributable solely to New GM, as is shown below.

# II. INTRODUCTION

6. At the time of this filing, more than 12,000,000 GM vehicles have been recalled because of a defective ignition switch. Hundreds, if not thousands, of accidents are now known to have been caused by vehicles losing power and control because the defective ignition switch turned from "on" to "off" during normal and foreseeable operation. When the ignition switch fails, drivers are unable to use their steering and brakes in an effective manner. The resulting loss of control, or "moving stall," and subsequent accidents are exacerbated by the fact that the defective ignition switch also prevents life-saving airbags from deploying. So, in addition to causing accidents, the defective part makes the resulting damages even greater. As used in this Complaint, the "Subject Vehicles" refers to the GM vehicles manufactured, upon information and belief, on the Delta Platform, sold in the United States, equipped at the time of sale with ignition switches (the "Ignition Switches"), and sharing a common defective design, including the following makes and model years:

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# **Buick:**

- Lacrosse (2005 2009)
- Lucerne (2006 2011)

# Cadillac:

- CTS (2003 2014)
- Deville (2000 2005)
- DTS (2006 2011)
- SRX (2004 2006)

# **Chevrolet:**

- Camaro (2010 2014)
- Cobalt (2005 2010)
- HHR (2006 2011)
- Impala (2000 2014)
- Malibu (1997 2005)
- Monte Carlo (2000 2007)

# **Oldsmobile:**

- Alero (1999 2004)
- Intrigue (1998 2002)

# **Pontiac:**

- G5 (2007 2010)
- Grand Am (1999 2005)
- Grand Prix (2004 2008)
- Solstice (2006 2010)

# <u>Saturn:</u>

- Ion (2003 2007)
- Sky (2007 2010)

7. Each of the vehicles driven by Plaintiffs is included in the above-listed "Subject Vehicles" and contained the defective Ignition Switch that is the subject of the 2014 GM ignition switch recalls. Plaintiffs' vehicles were in substantially the same condition as when each left the manufacturer and contained a defective ignition switch that, upon information and belief was the proximate and producing cause of the incident at issue and Plaintiffs' resulting injuries and damages.

8. The Ignition Switch that was approved by GM and installed in the GM Subject Vehicles identified above, was one of several switches manufactured at GM's direction in 2001. Each type of switch was manufactured, tested and evaluated by GM engineers prior to production. The switch that was ultimately selected by GM (the "Delta Switch") had a shorter spring in the detent plunger that gave it a smoother, more "European" feel. Another switch was identical to the Delta Switch in every respect except that it used a longer spring in the detent plunger. The longer spring increased the torque required to engage and disengage the ignition switch – it made it hard to turn the key in both directions. The longer spring also sacrificed the smooth feel that was so

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important to GM.

9. According to the recently published "Report to the Board of Directors of General Motors Company Regarding Ignition Switch Recalls" authored by Anton R. Valukas ("The Valukas Report"), GM made a conscious decision, in the fall of 2002, to use the Delta Switch in the Subject Vehicles "that was so far below GM's own specifications that it failed to keep the car powered on in circumstances that drivers would encounter." GM knew of, and approved, the final version of the Ignition Switch that was installed in millions of cars despite knowing that the force required to disengage the ignition switch was far below minimum specifications.

10. According to documents obtained by a United States House of Representatives committee during an investigation into the Defective Ignition Switches, GM opened an engineering inquiry about the defective Ignition Switch in 2004 after customers complained that the Subject Vehicles could be turned off while driving. Also according to those documents, the Cobalt program engineer rejected a proposal to change the Ignition Switch claiming that the part was too expensive and the change would take too much time – after he experienced the same problem while performing a test drive of a Cobalt. The cost that the project engineer found intolerably high was less than one dollar per vehicle.

11. The switch was eventually redesigned in 2006, although using the same part number as the Delta Switch. Remarkably, the solution to the torqueing problem had been present since 2001; all that needed to be done was use the longer spring that had already been tested in the design phase. No other changes were made to the switch and, aside from affecting the "European" feel of the switch, the new switch with the longer spring functioned capably. The longer spring also brought the ignition switch into spec with regard to torque force.

12. The decision to use the same part number meant that already-produced Delta

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Switches continued to be installed in GM vehicles even after the attempted design correction was implemented. Apparently GM's chief design engineer "forgot" the change had been made to correct the torque issue. This additional blunder exacerbated the problem with the GM vehicles; GM had no idea what cars had the Delta Switch and which had the switch with the new, longer spring.

13. Although the switch's inability to keep the car powered on during normal and foreseeable use of the subject vehicles "were known within GM's engineering ranks at the earliest stages of its [the switch's] production," GM ignored the safety risks attendant to these "moving stalls." These risks include, but are not limited to, sudden failure of: power steering, anti-lock brakes, electronic stability control, lane departure warnings, navigation systems, and airbag deployment. These sudden system failures made the Subject Vehicles impossible to control and, once the inevitable accident occurred, left the driver and passengers without life-saving airbags.

14. Apparently, GM viewed the defective ignition switches as a convenience and comfort and looked everywhere but at the design to determine the problem. GM failed to focus on the safety problems with the ignition switch turning a vehicle off during normal operation and, inexplicably, failed to link the power failure with a failure to allow airbags to deploy in a resulting accident.

15. Also according to The Valukas Report:

"While GM heard over and over from various quarters – including customers, dealers, the press and their own employees – that the car's ignition switch led to moving stalls, group after group and committee after committee within GM that reviewed the issue failed to take action or acted too slowly. Although everyone had responsibility to fix the problem, nobody took responsibility. It was an example of what one top executive described as the "GM nod," when everyone nods in agreement to a proposed plan of action, but then leave the room and does nothing."

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16. Although GM was aware (after the Purchase and Sale Agreement with Old GM) of the problem with the switches, the link between the defect and airbag non-deployment, hundreds of accidents, and dozens of acknowledged deaths attributable to the defective ignition switches, GM did not even begin recalling the Subject Vehicles until 2014. Not even the solution is attributable to GM – it was a plaintiff attorney's investigator that finally disassembled the defective part and discovered the problem that GM had been incapable of discovering for a dozen years.

17. Instead of accepting the defects in the Subject Vehicles and Ignition Switches as real safety issues, GM publically denied that either was a problem. Instead of working to identify and correct the problem, GM, its directors, engineers and counsel devoted their efforts to minimizing the perceived frequency and pervasiveness of the problems. Instead of accepting responsibility for the incidents and tragedies they caused, Defendant focused on "defending the brand" and public relations. Defendant knew, or in the exercise of the most basic diligence, should have known that a defect that causes system-wide failure of key components presented a significant safety risk to the public.

18. As a result of GM's negligent, reckless, and malicious conduct, Plaintiffs' owned and operated a vehicle with a defective ignition switch, described by the designing engineer as "the switch from hell." The defective ignition switch is believed to be the cause of Plaintiffs' accidents and resulting catastrophic injuries, which are explained more fully below.

# III. PARTIES

- 19. Plaintiff Latanya Bradford is a resident of the State of Louisiana.
- 20. Johnathan Anderson is a resident of the State of Louisiana.

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- 21. Plaintiff Stephanie Burrow is a resident of the State of Louisiana.
- 22. Plaintiff Kieara Cain is a resident of the State of Louisiana.
- 23. Plaintiff Gary Caldwell is a resident of the State of Kentucky.
- 24. Plaintiff Gary Caldwell, Individually and on behalf of IC, A Minor, resides in the State of Kentucky.
- 25. Plaintiff Joseph Claywell is a resident of the State of Kentucky.
- 26. Plaintiff Oswald Crespo is a resident of the State of Tennessee.
- 27. Plaintiff Freddie Davis is a resident of the State of Tennessee.
- 28. Plaintiff Michael Dixon is a resident of the State of Kentucky.
- 29. Plaintiff Clorine Edwards is a resident of the State of Tennessee.
- 30. Plaintiff Nicole Clay is a resident of the State of Kentucky.
- 31. Plaintiff Agnes Evans is a resident of the State of Tennessee.
- 32. Plaintiff Deanna Gooden is a resident of the State of Tenessee.
- 33. Plaintiff Shawnda Green is a resident of the State of Louisiana.
- 34. Plaintiff Ricky Jackson is a resident of the State of Kentucky.
- 35. Plaintiff Cory Johnson is a resident of the State of Tennessee.
- 36. Plaintiff Tiffany Leiby is a resident of the State of Louisiana.
- 37. Plaintiff Darius St. Amant is a resident of the State of Louisiana.
- 38. Plaintiff Rebecca Meadows is a resident of the State of Kentucky.
- 39. Plaintiff Rex Moore is a resident of the State of Tennessee.
- 40. Plaintiff Dominic Noyas-Jones is a resident of the State of Kentucky.
- 41. Plaintiff Brittany Taylor is a resident of the State of Tennessee.
- 42. Plaintiff Joyce Thompson is a resident of the State of Kentucky.

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- 43. Plaintiff Sandy Tupper is a resident of the State of Louisiana.
- 44. Plaintiff Melissa Whitehead is a resident of the State of Kentucky.
- 45. Plaintiff Anthony Flanery, as Administrator of the Estate of Rickie Flanery, is a resident of Kentucky.
- 46. Plaintiff Marilyn Wilson, on behalf of the estate of Shon Wilson, and Individually is a resident of Tennessee.

47. Defendant General Motors LLC ("New GM") is a Delaware limited liability company with its principal place of business at 300 Renaissance Center, MC: 482-C14-C66, Detroit, Michigan 48265 and may be served with process through service on its designated agent for service of process, CSC-Lawyers Incorporating Service, 80 State Street, Albany, New York, 12207-2543. At all times relevant herein, General Motors Corporation and its successor in interest GENERAL MOTORS LLC were engaged in the business of designing, manufacturing, constructing, assembling, marketing, warranting, distributing, selling, leasing, and servicing automobiles, including the Subject Vehicle, as described in this Complaint, and other motor vehicles and motor vehicle components throughout the United States. General Motors LLC has sufficient contacts with New York, such that under the New York Long Arm Statute it is subject to, and has submitted to, the jurisdiction of this Court.

# IV. JURISDICTION AND VENUE

48. Jurisdiction is proper in this Court pursuant to Case Management Order No. 8 in *In re General Motors LLC Ignition Switch Litigation*, [14-MC-2543, Dkt. No. 36]. By filing this Complaint in this district, however, Plaintiffs do not waive their rights to transfer this case to the district in which they reside at the conclusion of pretrial proceedings. Moreover, Plaintiffs do not waive their rights or consent with regard to choice of law by filing directly into the MDL Court

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pursuant to the Court's Case Management Order No. 8 and specifically rely on representations by GM to the Court that Plaintiffs will not be prejudiced by their decision to file directly into the MDL Court in the interest of convenience and judicial economy.

49. This Court also has jurisdiction over this matter under 28 U.S.C. § 1332(a) because the amount in controversy exceeds \$75,000 and Plaintiffs are each and every one a citizen of a different state than Defendant.

# V. FACTUAL BACKGROUND

50. On August 20, 2010, Plaintiff Latanya Bradford was operating a 2008 Chevrolet Impala, Vehicle Identification Number 2G1WB58N889127655. While traveling northbound on Loyola Drive in Kenner, Jefferson Parish, Louisiana, Plaintiff's vehicle was struck in the front, passenger side by another vehicle making an illegal U-turn. Plaintiff attempted to correct her vehicle, however, the steering would not respond due to the defective ignition switch.

51. Plaintiff Latanya Bradford was injured in the incident. She suffered injuries to her neck and back that caused her to begin to have labor contractions and for which she was required to seek medical attention.

52. On July 28, 2014 Plaintiff Johnathan Anderson was operating a 2000 Chevrolet Impala. Plaintiff's vehicle was approaching a curve in Acadia Parish, Crowley, Louisiana, when the vehicle lost power and would not respond, causing Plaintiff to go head first into a ditch. Plaintiff's airbags did not deploy upon impact due to the defective ignition switch.

53. Plaintiff Johnathan Anderson was injured in the incident. He suffered injuries to his spine and back and for which he was required to seek medical attention.

54. On April 3, 2014, Plaintiff Stephanie Burrow was operating a 2012 Chevrolet Camaro, Vehicle Identification Number 2G1FC1E39C9135796. Plaintiff Stephanie Burrow was

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driving eastbound on Interstate 10 in Calcasieu Parish, Louisiana when her vehicle went right onto the shoulder of the road. Plaintiff's vehicle lost its power steering due to the defective ignition switch, causing her vehicle to collide with a fence, followed by a ditch, finally coming to a stop after colliding with a second fence.

55. Plaintiff Stephanie Burrow was injured in the incident. She suffered injuries to her right leg, ribs, and a broken back that caused her impairment and for which she was required to seek extended medical attention.

56. On August 22, 2013, Plaintiff Keiara Cain was operating a 2011 Chevrolet Impala, Vehicle Identification Number 2G1WG5EK5B1126335. Plaintiff was stopped at the intersection of LA 327 Spur and GSRI Avenue, in Baton Rouge, East Baton Rouge Parish, Louisiana, when her traffic signal changed to green; she proceeded forward into the intersection, as she was in the intersection she was impacted on the front right corner by another vehicle. The vehicle lost its power steering and brakes due to defective ignition switch, causing her to be unable to avoid the collision with another vehicle. Plaintiff's airbags did not deploy upon impact due to the defective ignition switch.

57. Plaintiff Keiara Cain was injured in the incident. She suffered a knee contusion and back sprain that caused her impairment and for which she was required to seek medical attention.

58. On October 6, 2010, Plaintiff Gary Caldwell was operating a 2004 Chevrolet Impala, Vehicle Identification Number 2G1WH52K249430454. While traveling North on Kentucky 359 in Henderson County, Smith Mills, Kentucky, the vehicle began to swerve. Plaintiff attempted to correct the vehicle, when Plaintiff's steering locked up due to the defective ignition switch. Plaintiff's vehicle lost its power steering, causing his vehicle to collide with a mailbox, followed by a ditch, finally coming to a stop and catching on fire.

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59. Plaintiff Gary Caldwell was injured in the incident. He suffered injuries to his ribs and back that caused his impairment and for which he was required to seek medical attention.

60. On October 6, 2010, Minor Plaintiff, IC, was a passenger in a 2004 Chevrolet Impala, Vehicle Identification Number 2G1WH52K249430454. While traveling North on Kentucky 359 in Smith Mills, Henderson County, Kentucky, the vehicle began to swerve. Plaintiff Gary Caldwell attempted to correct the vehicle, when Plaintiff's steering locked up due to the defective ignition switch. Plaintiff's vehicle lost its power steering, causing his vehicle to collide with a mailbox, followed by a ditch, finally coming to a stop and catching on fire.

61. Minor Plaintiff IC was injured in the incident. He suffered injuries to his head that caused impairment and for which he was required to seek medical attention.

62. On August 4, 2014, Plaintiff Joseph Claywell was operating a 2014 Chevrolet Camaro, Vehicle Identification Number 2G1FK1EJ8E9234968. While the driver was traveling on Peg Garmon Road, Cumberland County, Burkesville, Kentucky, Plaintiff was traveling around a curve the vehicle left the roadway and went up an embankment, Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle lost its power steering causing the vehicle to rollover and hit a guy wire for an electrical pole and ejecting the driver.

63. Plaintiff Joseph Claywell was injured in the incident. He suffered injuries to his lower back, right hand, left elbow, ribs, hip, and ankle that caused impairment. He was transported via life-flight to an area hospital medical attention.

64. On February 27, 2014, Plaintiff Oswald Crespo was operating a 2002 Cadillac DeVille, Vehicle Identification Number 1G6K054Y02U283914. Plaintiff was traveling eastbound on State Route 127 towards the intersection of US 41 and State Route 127 Coffee County, Tennessee, when a vehicle went off the roadway and stuck Plaintiff's vehicle. The vehicle lost its

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power steering and the Plaintiff's vehicle could not navigate away from an approaching vehicle, colliding just before the intersection due to the defective ignition switch. The airbags in the Plaintiff's vehicle failed to deploy.

65. Plaintiff Oswald Crespo was injured in the accident. He suffered injuries to his left shoulder, severe concussion, ankle and ear damage that caused impairment for which he was required to seek medical attention.

66. On December 24, 2012, Plaintiff Freddie Davis was operating a 2002 Cadillac Deville, Vehicle Identification Number 1G6KD54Y12U107499. While traveling South on Elvis Presley, in Shelby County, Memphis, Tennessee, Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and the Plaintiff could not navigate his vehicle away from an approaching vehicle, colliding in the intersection.

67. Plaintiff Freddie Davis was injured in the incident. He suffered injuries to his head and back that caused impairment and for which he was required to seek medical attention.

68. On June 8, 2012, Plaintiff Michael Dixon was operating a 2012 Chevrolet Impala, Vehicle Identification Number 2G1WG5E39C1292985. While traveling on Highway 7, in Letcher County, Blackey, Kentucky, Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and Plaintiff was unable to control the vehicle to avoid going head first into a ditch.

69. Plaintiff Michael Dixon was injured in the incident. He suffered injuries to his chest, neck, back, and legs that caused impairment and for which he was required to seek medical attention.

70. On September 10, 2012, Plaintiff Clorine Edwards was operating a 2008 Chevrolet Impala, Vehicle Identification Number 2G1WB58K289215803. Plaintiff's vehicle was proceeding

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on the 385 Expressway in Shelby County, Memphis, Tennessee, when the Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and brakes. Plaintiff was unable to stop her vehicle which then impacted the vehicle in front of her.

71. Plaintiff Clorine Edwards was injured in the incident. She suffered injuries relating to her pregnancy that caused impairment and for which she was required to seek medical attention.

72. On September 20, 2012, Plaintiff Nicole Clay was operating a 2004 Cadillac Deville, Vehicle Identification Number 1G6KD54Y34U255978. Plaintiff's vehicle was preparing to make a right turn onto Newtown Pike in Fayette County, Lexington, Kentucky, when Plaintiff's vehicle lost power due to the defective ignition switch. The vehicle also lost its power steering and Plaintiff could not navigate away from an approaching vehicle, colliding in the intersection.

73. Plaintiff Nicole Clay was injured in the incident. She suffered injuries to her lower back and head that caused impairment and for which she was required to seek medical attention.

74. On November 27, 2013, Plaintiff Agnes Evans was operating a 2005 Cadillac Deville, Vehicle Identification Number 1G6KD54Y75U114087. The Plaintiff's vehicle was exiting a private parking lot in Ouachita Parish, Monroe, Louisiana, when her vehicle lost power due to the defective ignition switch. Plaintiff's vehicle also lost its power steering and brakes and Plaintiff was unable to avoid colliding with a vehicle traveling down Louisville Avenue.

75. Plaintiff Agnes Evans was injured in the incident. She suffered injuries to her head and hip that caused impairment and for which she was required to seek medical attention.

76. On May 31, 2014, Plaintiff Deanna Gooden was operating a 2001 Chevrolet Impala. The Plaintiff's vehicle lost power due to the defective ignition switch when she swerved to miss a semi crossing over into her lane. The vehicle also lost power steering and brakes, the Plaintiff was unable to avoid hitting a median head on.

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77. Plaintiff Deanna Gooden was injured in the incident. She suffered injuries to her back, and neck that caused impairment and for which she was required to seek medical attention.

78. On March 5, 2012 Plaintiff Shawnda Greene was a passenger in a 2011 Chevrolet Impala. Plaintiff was coming around a curve in Acadia Parish, near Crowley, Louisiana when her vehicle went over some gravel. Plaintiff attempted to correct the vehicle, it lost power due to the defective ignition switch causing the vehicle to hit a canal head on.

79. Plaintiff Shawnda Greene was injured in the incident. She suffered injuries to the left side of her skull and spine that caused impairment and for which she was required to seek medical attention.

80. On May 16, 2012 Plaintiff Ricky Jackson was a passenger in a 2011 Chevrolet Impala, Vehicle Identification Number 2G1WG5EK9B1121445. Plaintiff was traveling in Jefferson County, Louisville, Kentucky when the vehicle lost power due to the defective ignition switch. Plaintiff's vehicle also lost power steering and brakes and the Plaintiff was unable to avoid hitting a parked vehicle. The airbags did not deploy due to the defective ignition switch.

81. Plaintiff Ricky Jackson was injured in the incident. He suffered injuries to his neck and back that caused impairment and for which he was required to seek medical attention.

82. On February 15, 2014 Plaintiff Cory Johnson was a passenger in a 2006 Pontiac Grand Prix. Plaintiff was traveling northbound on Highway 224, McNairy County, Tennessee when the vehicle he was in lost power steering due to the effective ignition switch, crossed the center line and struck another vehicle head on.

83. Plaintiff Cory Johnson was injured in the incident. He suffered injuries that include a broken C5 vertebrae, fractured sternum, and a collapsed carotid artery that caused impairment and for which he was required to seek medical attention.

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84. On September 8, 2014, Plaintiff Tiffany Leiby was a passenger in a 2000 Chevrolet Impala, Vehicle Identification Number 2G1WH55K8Y9154735. While traveling south on Highway 3, passing over a bridge in Baton Rouge, Louisiana, the vehicle lost power. The front of the vehicle struck the bridge railing and her airbags did not deploy due to the defective ignition switch.

85. Plaintiff Tiffany Leiby was injured in the incident. She suffered injuries to her head, neck and shoulder that caused impairment and for which she was required to seek medical attention.

86. On September 25, 2014, Plaintiff Darius St. Amant was operating a 2008 Chevrolet Impala, Vehicle Identification Number 2G1WT58KX89233723. While traveling north on N. Bertrand, Lafayette Parish, Lafayette, Louisiana, Plaintiff's vehicle was struck in the front, passenger side by an oncoming vehicle, the air bags failed to deploy due to the defective ignition switch.

87. Plaintiff Darius St. Amant was injured in the incident. He suffered injuries to his back and head that caused impairment and for which he was required to seek medical attention.

88. On May 16, 2013, Plaintiff Rebecca Meadows was operating a 2003 Pontiac Grand Prix, Vehicle Identification Number 1G2WK52J13F177038. Plaintiff was traveling in near Whitley County, Williamsburg, Kentucky when her vehicle went slightly on the shoulder of the road. The vehicle lost power due to the defective ignition switch and the Plaintiff was unable to avoid a head on collision with a tree.

89. Plaintiff Rebecca Meadows was injured in the incident. She suffered injuries to her face, lungs, ribs, and nose that caused impairment and for which she was required to seek medical attention.

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90. On October 20, 20012, Plaintiff Rex Moore was operating a 2002 Cadillac DeVille, Vehicle Identification Number 1G6KD54YX2U173808. While traveling East on Bethel Avenue, near Knox County, Knoxville, Tennessee, Plaintiff was passing another vehicle when his vehicle lost power due to the defective ignition switch. The vehicle also lost power steering and brakes and Plaintiff was unable to avoid being struck by another vehicle.

91. Plaintiff Rex Moore was injured in the incident. He suffered injuries to his back and knee that caused impairment and for which he was required to seek medical attention.

92. On August 6, 2014, Plaintiff Dominic Noyas-Jones was operating a 2004 Pontiac Grand Prix, Vehicle Identification Number 2G2WP522241273439. Plaintiff was coming over a hill, traveling westbound on Old Bowling Green Road, in Barren County, Kentucky, when he noticed the vehicle in front of him was stopped. Plaintiff attempted to avoid a collision, but lost power steering due to the defective ignition switch and struck the vehicle directly in front of his vehicle, causing his vehicle to turn slightly. Plaintiff was then struck by a vehicle traveling eastbound on Old Bowling Green Road before coming to a complete stop.

93. Plaintiff Dominc Noyas-Jones was injured in the incident. He suffered a broken nose and whiplash that caused impairment and for which he was required to seek medical attention.

94. On May 31, 2014, Plaintiff Brittany Taylor was a passenger in a 2001 Chevrolet Impala. The Plaintiff's vehicle lost power due to the defective ignition switch when she swerved to miss a semi crossing over into her lane. The vehicle also lost power steering and brakes and the Plaintiff was unable to avoid hitting a median head on.

95. Plaintiff Brittany Taylor was injured in the incident. She suffered neck, back and head injury that caused impairment and for which she was required to seek medical attention.

96. On October 13, 2010, Plaintiff Joyce Thompson was operating a 2006 Chevrolet

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Monte Carlo. Plaintiff's vehicle was proceeding on Taylor Road at the intersection of Sale Avenue in near Jefferson County, Louisville, Kentucky, when the vehicle was hit by an oncoming vehicle. Plaintiff's airbags did not deploy upon impact due to the defective ignition switch.

97. Plaintiff Joyce Thompson was injured in the incident. She suffered injuries to her head, left knee and back that caused impairment and for which she was required to seek medical attention.

98. On March 5, 2012, Plaintiff Sandie Tupper was operating a 2011 Chevrolet Impala. Plaintiff was coming around a curve near Acadia Parish, Crowley, Louisiana when her vehicle went over some gravel. Plaintiff attempted to correct the vehicle; it lost power due to the defective ignition switch causing the vehicle to hit a canal head on.

99. Plaintiff Sandie Tupper was injured in the incident. She suffered injuries to her skull and spine that caused impairment and for which she was required to seek medical attention.

100. On May 16, 2012, Plaintiff Melissa Whitehead was operating a 2011 Chevrolet Impala, Vehicle Identification Number 2G1WG5EK9B1121445. Plaintiff was traveling in Jefferson County, near Louisville, Kentucky when the vehicle lost power due to the defective ignition switch. Plaintiff's vehicle also lost power steering and brakes and the Plaintiff was unable to avoid hitting a parked vehicle.

101. Plaintiff Melissa Whitehead was injured in the incident. She suffered injuries to her head, mouth, back, and shoulder that caused impairment and for which she was required to seek medical attention.

102. On March 28, 2012, Rickie Flanery was operating a 2002 Chevrolet Impala, Vehicle Identification Number 2G1WF52E329191137. Mr. Flanery swerved to avoid an animal while traveling westbound on Kentucky – 8, Lewis County, Garrison, Kentucky. His vehicle shut

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off due to the defective ignition switch causing the driver to lose control in turn causing the vehicle to flip three times and eject the driver.

103. Rickie Flanery suffered a fatal injury in the accident.

104. Plaintiff Anthony Flanery, as Administrator of the Estate of Richie Flanery respectfully brings this action on behalf of the Estate of his late brother.

105. On October 25, 2013 Shon Wilson was a passenger in a 2004 Monte Carlo, Vehicle identification Number 2G1WX12KX49283683. The vehicle in which Mr. Wilson was riding was traveling northbound on Coleman when the vehicle veered off the roadway hitting a dirt embankment and rolling into a tree. The vehicle in which Mr. Wilson was riding in lost power steering and brakes due to the defective ignition switch.

106. Shon Wilson suffered a fatal injury in the accident.

107. Plaintiff Marilyn Wilson, the mother of Shon Wilson respectfully brings this action on behalf of the estate of Shon Wilson, and individually as a wrongful death beneficiary.

# VI. CAUSES OF ACTION

# A. Strict Product Liability

108. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

109. GM manufactured Plaintiffs' vehicles. GM has admitted publicly, through its recall of the Subject Vehicles that Plaintiffs' vehicles contained a defect – namely the faulty ignition switch described above. In addition to GM's admission (through the recall and elsewhere) of the existence of the defective Ignition Switch, several studies have concluded that the Ignition Switch
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at issue is defective, results in "moving stalls," and airbag non-deployment in crashes.<sup>1</sup>

110. The ignition switch was a substantial factor in bringing about Plaintiffs accidents and resulting injuries; the defective switch also prevented the airbags from deploying.

111. At all times relevant to this action, Plaintiffs were using their vehicles in a proper and foreseeable manner and as it was intended by Defendant to be used when Defendant designed, manufactured, marketed, warranted, and sold the vehicle. Plaintiffs' vehicles had not been substantially modified or altered from the condition in which he bought it until the time of the incident that forms the basis of this suit.

112. Plaintiffs could not, through the exercise of reasonable care, have discovered the defect in the Ignition Switch and perceived its danger, nor could they have, through the exercise of reasonable care, avoided the incidents that caused their injuries.

113. Upon information and belief, the defective component was manufactured as it was designed – a design that relied exclusively on GM's approval of the component's performance. According to the Valukas Report, the design itself was so far below GM's specifications that it failed to keep Plaintiff's vehicles powered on during the normal conditions they encountered on the dates of the incidents.

114. GM marketed Plaintiff's vehicles, the Subject Vehicles, and Ignition Switches that were designed so that they were not reasonably safe in that they rendered the Subject Vehicles uncontrollable and prevented airbag deployment in a crash. The design of the Ignition Switches and Subject Vehicles was such that the utility of those products did not outweigh the danger of their introduction into the stream of commerce.

See, e.g. Indiana Transportation Research Center Report, April 25, 2007, GMNTHSA000223985; Keith A. Young, Technical Reconstruction Unit, Wisconsin State Patrol Academy, Collision Analysis & Reconstruction Report Feb. 14, 2007 at GMNTHSA000284395; Erin Shipp's Engineer Report at GMNHTSA000309665.

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115. At the time the Subject Vehicles and the Ignition Switches were produced, there existed, and GM was aware of, cost-effective safer alternative designs that were both feasible and would have made the Subject Vehicles and Ignition Switches safer. Moreover, the safer alternative design would not have impaired the usefulness of the Ignition Switches and Subject Vehicle. In fact, the solution was as simple as using a longer spring, which GM ultimately did in 2006.

116. These design defects were the producing and proximate cause of Plaintiff's accidents and resulting injuries.

117. Defendant also failed to warn the public and Plaintiffs specifically, of the inherent defects in the Subject Vehicles, the Ignition Switches, and Plaintiffs cars specifically. Defendant did not inform the public of these life-threatening defects until 2014. Had Defendant warned Plaintiffs that their vehicles they were driving could experience a "moving stall" during normal operations and/or that the airbags would not deploy in a crash, Plaintiffs would not have bought or continued to operate their vehicles in that defective condition. Defendant's failure to warn Plaintiffs regarding the true capabilities, defects, and limitations of their vehicles were the producing and proximate cause of Plaintiffs incidents and resulting injuries.

118. Defendant knew, or through the exercise of reasonable care, should have known of the defects, capabilities, and limitations of the Subject Vehicles and the Ignition Switches during intended and foreseeable use. This fact has been borne out in the Valukas Report and will doubtlessly be bolstered during discovery in this case. The mounting evidence makes it clear that, not only was Defendant aware of these defects, they were consciously indifferent to the high risk of grievous harm attendant to the "ignition switch from hell." Defendant gave no warning, much less an adequate warning, that the Subject Vehicles could experience a "moving stall" or that the airbags would fail to deploy as they should. The only adequate warning Defendant could have

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possibly given would have been to direct consumers to immediately cease to operate the Subject Vehicles. Defendant eventually recalled the Subject Vehicles, but much too late to be of any help to Plaintiffs.

#### B. Negligence

119. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

120. Defendant owed a duty of care to the public and to Plaintiffs specifically, to design, manufacture, market, warrant, and sell vehicles that were free from dangerous defects and that were capable of being operated safely during normal and foreseeable use.

121. Moreover, Defendant was required by a host of state and federal regulations to design, manufacture, market, warrant, and sell vehicles that were free from dangerous defects and that were capable of being operated safely during normal and foreseeable use.

122. Defendant had a duty to timely discover and remedy defects in the Subject Vehicles, and in Plaintiff's vehicles specifically, that rendered them abnormally dangerous during normal and foreseeable use.

123. Defendant breached the above-cited duties in at least the following respects:

- a. Failing to design an ignition switch that maintained a vehicle in an operational condition during normal and foreseeable use of the vehicles;
- b. Failing to discover defects in the Subject Vehicles, and in Plaintiff's vehicles specifically, in a timely manner;
- c. Marketing and selling vehicles that could, and did, experience "moving stalls" during normal and foreseeable use;
- d. Failing to warn the public, and Plaintiffs specifically, that the Subject

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Vehicles could and did experience "moving stalls" during normal and foreseeable use of the vehicles;

- e. Failing to warn the public, and Plaintiffs specifically, that the Subject Vehicles could and did experience airbag non-deployment during crashes in which the airbags should deploy;
- f. Failing to implement proper surveillance procedures to identify, track, and account for incidents related to the failure of the Ignition Switches;
- g. Ignoring incidents and reports that would have led a reasonable manufacturer of vehicles and components to recall and/or remedy defects in the Subject Vehicles;
- h. Allowing vehicles to be placed in the stream of commerce that Defendant knew or should have known suffered from potentially deadly defects; and
- i. Failing to timely recall the Subject Vehicles when it became apparent, or should have been apparent through the exercise of reasonable care and/or diligence, that crashes were being caused and exacerbated by the faulty Ignition Switches.

124. Defendant's breaches of duty in both common law and statute were the producing and proximate cause of the incident at issue and Plaintiff's damages. Plaintiffs belonged to the class of persons meant to be protected by the state and federal regulations breached by Defendant.

#### C. Breach of Express and Implied Warranties; Deceptive Trade Practices

125. The preceding paragraphs are hereby incorporated by reference as if set forth in full here. Plaintiff's hereby bring suit pursuant, but not limited, to the N.Y. GBS. LAW § 349 *et. seq.* "The New York Deceptive Trade Practices Act".

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126. The incident in which Plaintiffs were injured was caused by the defective Subject Vehicle and Ignition Switch as described herein. Plaintiffs were consumers who did, and reasonably could have been expected to, use and/or be affected by the Subject Vehicles. Plaintiffs purchased the vehicles at issue in this case, and there existed a privity of contract as that term is known at law.

127. The incident at issue occurred, and Plaintiffs were injured, because their vehicles and ignition switches were defective, as described herein, in that they were not safe for normal and foreseeable use.

128. Defendant expressly and impliedly warranted that the Subject Vehicles would not shut off during normal and foreseeable use, that the Subject Vehicles could be safely operated during normal use, that the essential functions of the Subject Vehicles would remain operable during foreseeable use, and that the airbags would deploy in the case of a crash in which one would normally expect the airbags to deploy.

129. Because of the defects described herein, in various public reports, and as admitted by Defendant itself, these (and other) express and implied warranties were breached by Defendant. The Subject Vehicles and Plaintiff's vehicles specifically, were not fit for the ordinary purposes for which such vehicles are used nor were they fit for the specific purpose Defendant represented them to be useful for.

130. Defendant's acts and omissions were deceptive in that the Subject Vehicles and Ignition Switches were advertised and warranted to possess qualities, characteristics and protections that they did not, in fact, possess. The Subject Vehicles and Ignition Switches were represented to be of a particular standard, quality and grade free from defects, of merchantable quality and fit for the purpose for which they were sold and they were not.

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131. Defendant's breaches of warranty were the producing and proximate cause of the incident at issue and Plaintiff's damages.

#### **D.** Gross Negligence

132. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

133. The evidence referenced in this Complaint and the mounting evidence regarding the recent recalls of millions of defective GM vehicles makes it clear that Defendant is guilty of exceptional misconduct. GM was issued, and agreed to, a record fine by the U.S. Department of Transportation's National Highway Traffic Safety Administration. Defendant has been aware for more than a dozen years that the ignition switches in the Subject Vehicles were grossly inadequate and subjected the driving public to a grave risk of grievous harm. Producing and marketing vehicles that are subject to complete system failures at highway speeds is akin to launching millions of torpedoes onto American streets and highways – with unsuspecting consumers inside. Defendant knew about the problem for years and, because of greed and/or gross ineptitude, refused to act on the problem. Instead, Defendant gave the issue the "GM nod." The "GM nod" demonstrates that more than one of Defendant's superior officers in the course of employment ordered, ratified, and/or participated in the malicious conduct. These officers acted maliciously, wantonly, and/or recklessly, and clearly the Defendant is guilty of exceptional misconduct and gross negligence. Plaintiffs demand punitive damages for this conduct.

#### VII. DAMAGES

134. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

135. Plaintiffs, as a result of the liability of Defendant described above, have suffered

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and make claims for reasonable and necessary medical expenses incurred as a result of the incident made basis of these suits in the past and future, past and future pain and suffering, lost wages and earning capacity in the past, disfigurement in the past and future, impairment in the past and future and exemplary damages. Plaintiffs also demands statutory penalties be imposed pursuant to the applicable Deceptive Trade Practices Act and attorney's fees.

#### VIII. CONCLUSION AND PRAYER

136. Defendant has only recently admitted publically its wrongdoing – albeit not to the full extent and not in time to prevent Plaintiff's injuries – but it admitted wrongdoing nonetheless. As the evidence mounts about what was known and when, it is becoming inescapably clear that Defendant needs to be punished and the victims they have injured need to be compensated. The law is powerless to remedy the harms Defendant has caused through its negligent, reckless, and malicious conduct – we cannot restore life or limb. However, justice must be done to the extent we are able, and Plaintiffs demand that Defendant answer for its acts and omissions that led to Plaintiffs damages and be required to pay compensatory and exemplary damages to the full extent allowed by law.

137. WHEREFORE, PREMISES CONSIDERED, Plaintiffs respectfully request Defendant be cited, tried by jury, and, upon verdict in Plaintiffs favor, Judgment be entered against Defendant for:

- a. Actual damages within the jurisdictional limits of this Court;
- b. Property damage and loss;
- c. Exemplary damages to the full extent permitted by law;
- d. Attorney's fees;
- e. Costs of suit;

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- f. Pre- and Post-Judgment Interest at the maximum recoverable level; and
- g. All other relief to which the Plaintiff's show themselves justifiably entitled.

**Dated:** May 27, 2015

Respectfully Submitted,

Jason E. Dunahoe, *Pro Hac* Texas State Bar No. 24048440 *Attorneys for Plaintiffs* 

Of Counsel:

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# **EXHIBIT 9**

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# UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

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#### IN RE: GENERAL MOTORS LLC IGNITION SWITCH LITIGATION

14-MD-2543 (JMF)

This Document Relates to:

Case No. <u>1:14-cv-10006-JMF</u>

-----Х

MEGHAN DUNN, INDIVIDUALLY AND ON BEHALF OF ADIN DE LA CRUZ, a minor PLAINTIFF,

V.

GENERAL MOTORS, LLC, DEFENDANT

-----X

# MOTION FOR LEAVE TO FILE FIRST AMENDED COMPLAINT

COMES NOW Plaintiff, by counsel, and hereby moves the Court for leave to file her First Amended Complaint in order to comply with rulings of the Bankruptcy Court. As grounds for this Motion, Plaintiff states as follows:

- 1. Plaintiff's original Complaint, included claims for damages potentially related to prebankruptcy conduct of "Old GM," among other claims.
- 2. On June 1, 2015, and as amended by a September 3, 2015 scheduling order, the United States Bankruptcy Court for the Southern District of New York has determined that certain claims, related to vehicles manufactured by Motors Liquidation Company (Old GM), cannot be maintained against General Motors LLC (New GM). See, In re: MOTORS LIQUIDATION COMPANY, et al., f/k/a General Motors Corp., et al., Case No. 09-50026 (REG)
- 3. On September 24, 2015, this Court entered Order No. 81 to streamline the amendment process. In accordance with this order, Plaintiff has attached hereto a redline version of the original complaint as Exhibit A and a Proposed Amended Petition as Exhibit B.

WHEREFORE, Plaintiff respectfully requests that this Court enter an Order directing the filing of tendered Proposed Amended Petition.

Dated: September 30, 2015

Respectfully submitted,

# THE POTTS LAW FIRM, LLP

By: /s/ Eric G. Jensen\_

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# **ATTORNEYS FOR PLAINTIFFS**

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UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK X	
IN RE: GENERAL MOTORS LLC IGNITION SWITCH LITIGATION	14-MD-2543 (JMF)
This Document Relates to: X	Case No.
MEGHAN DUNN, INDIVIDUALLY AND ON BEHALF OF ADIN DE LA CRUZ, a minor	Complaint
PLAINTIFF,	Jury Trial Demanded

V.

# GENERAL MOTORS, LLC, DEFENDANT

#### -----X ORIGINAL COMPLAINT

COMES NOW Plaintiff, through undersigned counsel, and for cause of action respectfully shows as follows:

# I. PRELIMINARY STATEMENT

1. Plaintiff was involved in a motor vehicle incident with her son, Adin, on December 27, 2012 in her 2005 Chevy Impala. The incident occurred on U.S. 224 around 1 p.m. near Ottawa, Putnam County, Ohio. Upon information and belief, Plaintiff's car lost power, causing her to lose control and enter the lane of oncoming traffic. Further, upon information and belief, the loss of power was caused by a defective ignition switch installed in her Impala. Plaintiff's car was struck on the side causing catastrophic damage to her vehicle and body. Plaintiff has been functionally incapacitated since the day of the incident. Her son also suffered physical and severe emotional injuries in the incident.

Plaintiff's causes of action are brought against GENERAL MOTORS LLC ("New GM"). Plaintiff does not assert any causes of action against General Motors Corporation ("Old

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GM"), although Old GM manufactured Plaintiff's 2005 Chevy Impala. The incident at issue in this case occurred after the Old GM bankruptcy, which is discussed briefly below. The subject vehicle has been recalled by General Motors LLC, and New GM is strictly liable for the incident.

3. While at times this Complaint references acts and omissions by Old GM, these references are for background purposes only. Old GM arguably ceased to exist pursuant to the June 26, 2009 Amended and Restated Master Sale and Purchase Agreement wherein New GM acquired certain Old GM assets. That Amended and Restated Master Sale and Purchase Agreement was approved on July 10, 2009. In that Agreement, New GM expressly agreed to accept responsibility for product liability claims that arose from accidents or incidents occurring on or after July 10, 2009. The incident that forms the basis of Plaintiff's claims occurred after July 10, 2009.

4. While New GM expressly accepted responsibility for accidents occurring on or after July 10, 2009, it also acquired knowledge of Old GM's activities generally, and the existence of the defective ignition switch in place in millions of vehicles specifically. New GM acquired personnel from Old GM, including but not limited to, top leadership personnel, executives, members of the Board of Directors, internal legal counsel, engineers and quality control personnel. Most importantly, New GM retained the engineer in charge of designing and approving the manufacturing specifications of the defective ignition switch. The employees retained by New GM carried with them the knowledge they gained at Old GM. New GM also acquired knowledge about the issues with the ignition switch, moving stalls and airbag non-deployment through the chief engineer, design and manufacturing documents, internal memorandum, and reports to the Board of Directors. New GM continued to service – and receive complaints about – vehicles manufactured on Old GM's watch. While the change from Old GM to New GM arguably had

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some legal effect with regard to creditors who received notice of their rights, it had little practical effect relative to the problems with, and knowledge of, the ignition-switch defect.

5. New GM also acquired certain duties with regard to vehicles in production and on the road at the time of the Sale and Purchase Agreement – duties it breached egregiously – as has been well-publicized and for which it has been justifiably criticized. These duties included, but are not limited to, those arising under the National Traffic and Motor Vehicle Safety Act, 49 U.S.C. § 30101 *et. seq.* and the Transportation Recall Enhancement, Accountability and Documentation Act, 49 U.S.C. §§ 30101 – 30170. GM was fined \$35 Million by NTSHA for its delayed reporting of the ignition switch problem and violating federal safety laws. New GM's liability for damages is attributable to its own post-sale conduct and failure to timely remedy and/or recall vehicles it knew had deadly defects, even with regard to vehicles manufactured and sold prior to the Sale and Purchase Agreement. Plaintiff's case is a prime example of liability and gross negligence that is inarguably attributable solely to New GM, as is shown below.

#### II. INTRODUCTION

6. At the time of this filing, more than 12,000,000 GM vehicles have been recalled because of a defective ignition switch. Hundreds, if not thousands, of accidents are now known to have been caused by vehicles losing power and control because the defective ignition switch turned from "on" to "off" during normal and foreseeable operation. When the ignition switch fails, drivers are unable to use their steering and brakes in an effective manner. The resulting loss of control, or "moving stall," and subsequent accidents are exacerbated by the fact that the defective ignition switch also prevents life-saving airbags from deploying. So, in addition to causing accidents, the defective part makes the resulting damages even greater. As used in this Complaint, the "Subject Vehicles" refers to the GM vehicles manufactured, upon information and belief, on

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the Delta Platform, sold in the United States, equipped at the time of sale with ignition switches

(the "Ignition Switches"), and sharing a common defective design, including the following makes

and model years:

#### **Buick:**

- Lacrosse (2005 2009)
- Lucerne (2006 2011)

#### **Cadillac:**

- CTS (2003 2014)
- Deville (2000 2005)
- DTS (2006 2011)
- SRX (2004 2006)

# **Chevrolet:**

- Camaro (2010 2014)
- Cobalt (2005 2010)
- HHR (2006 2011)
- Impala (2000 2014)
- Malibu (1997 2005)
- Monte Carlo (2000 2007)

# **Oldsmobile:**

- Alero (1999 2004)
- Intrigue (1998 2002)

# **Pontiac:**

- G5 (2007 2010)
- Grand Am (1999 2005)
- Grand Prix (2004 2008)
- Solstice (2006 2010)

#### <u>Saturn:</u>

- Ion (2003 2007)
- Sky (2007 2010)

7. Plaintiff's 2005 Chevrolet Impala is included in the above-listed "Subject Vehicles" and contained the defective Ignition Switch that is the subject of the 2014 GM ignition switch recalls. Plaintiff's vehicle, which bears the VIN number 2G1WF52EX59114690, was in substantially the same condition as when it left the manufacturer and contained a defective ignition switch that, upon information and belief was the proximate and producing cause of the incident at issue and Plaintiff's resulting injuries and damages.

8. The Ignition Switch that was approved by GM and installed in the GM Subject Vehicles identified above, was one of several switches manufactured at GM's direction in 2001. Each type of switch was manufactured, tested and evaluated by GM engineers prior to production. The switch that was ultimately selected by GM (the "Delta Switch") had a shorter spring in the detent plunger that gave it a smoother, more "European" feel. Another switch was identical to the

#### 

Delta Switch in every respect except that it used a longer spring in the detent plunger. The longer spring increased the torque required to engage and disengage the ignition switch – it made it hard to turn the key in both directions. The longer spring also sacrificed the smooth feel that was so important to GM.

9. According to the recently published "Report to the Board of Directors of General Motors Company Regarding Ignition Switch Recalls" authored by Anton R. Valukas ("The Valukas Report"), GM made a conscious decision, in the fall of 2002, to use the Delta Switch in the Subject Vehicles "that was so far below GM's own specifications that it failed to keep the car powered on in circumstances that drivers would encounter." GM knew of, and approved, the final version of the Ignition Switch that was installed in millions of cars despite knowing that the force required to disengage the ignition switch was far below minimum specifications.

10. According to documents obtained by a House of Representatives Committee during an investigation into the Defective Ignition Switches, GM opened an engineering inquiry about the defective Ignition Switch in 2004 after customers complained that the Subject Vehicles could be turned off while driving. Also according to those documents, the Cobalt program engineer rejected a proposal to change the Ignition Switch claiming that the part was too expensive and the change would take too much time – after he experienced the same problem while performing a test drive of a Cobalt. The cost that the project engineer found intolerably high was less than one dollar per vehicle.

11. The switch was eventually redesigned in 2006, although using the same part number as the Delta Switch. Remarkably, the solution to the torqueing problem had been present since 2001; all that needed to be done was use the longer spring that had already been tested in the design phase. No other changes were made to the switch and, aside from affecting the

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"European" feel of the switch, the new switch with the longer spring functioned capably. The longer spring also brought the ignition switch into spec with regard to torque force.

12. The decision to use the same part number meant that already-produced Delta Switches continued to be installed in GM vehicles even after the attempted design correction was implemented. Apparently GM's chief design engineer "forgot" the change had been made to correct the torque issue. This additional blunder exacerbated the problem with the GM vehicles; GM had no idea what cars had the Delta Switch and which had the switch with the new, longer spring.

13. Although the switch's inability to keep the car powered on during normal and foreseeable use of the subject vehicles "were known within GM's engineering ranks at the earliest stages of its [the switch's] production," GM ignored the safety risks attendant to these "moving stalls." These risks include, but are not limited to, sudden failure of: power steering, anti-lock brakes, electronic stability control, lane departure warnings, navigation systems, and airbag deployment. These sudden system failures made the Subject Vehicles impossible to control and, once the inevitable accident occurred, left the driver and passengers without life-saving airbags.

14. Apparently, GM viewed the defective ignition switches as a convenience and comfort and looked everywhere but at the design to determine the problem. GM failed to focus on the safety problems with the ignition switch turning a vehicle off during normal operation and, inexplicably, failed to link the power failure with a failure to allow airbags to deploy in a resulting accident.

#### 15. Also according to The Valukas Report:

"While GM heard over and over from various quarters – including customers, dealers, the press and their own employees – that the car's ignition switch led to moving stalls, group after group and committee after committee within GM that reviewed the issue failed to take action or acted too slowly. Although everyone had responsibility to fix the problem, nobody took responsibility. It was an example of what one top executive described as the "GM nod," when everyone nods in agreement to a proposed plan of action, but then leave the room and does nothing."

16. Although GM was aware (after the Purchase and Sale Agreement with Old GM) of the problem with the switches, the link between the defect and airbag non-deployment, hundreds of accidents, and dozens of acknowledged deaths attributable to the defective ignition switches, GM did not even begin recalling the Subject Vehicles until 2014. Not even the solution is attributable to GM – it was a plaintiff attorney's investigator that finally disassembled the defective part and discovered the problem that GM had been incapable of discovering for a dozen years.

17. Instead of accepting the defects in the Subject Vehicles and Ignition Switches as real safety issues, GM publically denied that either was a problem. Instead of working to identify and correct the problem, GM, its directors, engineers and counsel devoted their efforts to minimizing the perceived frequency and pervasiveness of the problems. Instead of accepting responsibility for the incidents and tragedy it caused, Defendant focused on "defending the brand" and public relations. Defendant knew, or in the exercise of the most basic diligence, should have known that a defect that causes system-wide failure of key components presented a significant safety risk to the public.

18. As a result of GM's negligent, reckless, and malicious conduct, Plaintiff owned and operated a vehicle with a defective ignition switch, described by the designing engineer as

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"the switch from hell." This defective ignition switch is believed to be the cause of Plaintiff's accident and resulting catastrophic injuries, which are explained more fully below.

#### III. PARTIES

19. Plaintiff Meghan Dunn, Individually and on behalf of Adin De La Cruz, a Minor, is a resident of Findlay, Ohio.

20. Defendant General Motors LLC ("New GM") is a Delaware limited liability company with its principal place of business at 300 Renaissance Center, MC: 482-C14-C66, Detroit, Michigan 48265 and may be served with process through service on its designated agent for service of process, CSC-Lawyers Incorporating Service, 50 W. Broad Street, Ste. 1800, Columbus, Ohio 43215. At all times relevant herein, General Motors Corporation and its successor in interest GENERAL MOTORS LLC were engaged in the business of designing, manufacturing, constructing, assembling, marketing, warranting, distributing, selling, leasing, and servicing automobiles, including the Subject Vehicle, as described in this Complaint, and other motor vehicles and motor vehicle components throughout the United States. General Motors LLC has sufficient contacts with Ohio, such that under the Ohio Long Arm Statute it is subject to, and has submitted to, the jurisdiction of this Court.

#### IV. JURISDICTION AND VENUE

21. Jurisdiction is proper in this Court pursuant to Case Management Order No. 8 in *In re General Motors LLC Ignition Switch Litigation*, [14-MC-2543, Dkt. No. 36]. By filing this Complaint in this district, however, Plaintiff does not waive her right to transfer this case to the district in which she resides at the conclusion of pretrial proceedings. Moreover, Plaintiff does not waive her rights or consent with regard to choice of law by filing directly into the MDL Court pursuant to the Court's Case Management Order No. 8 and specifically relies on representations

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by GM to the Court that she will not be prejudiced by her decision to file directly into the MDL Court in the interest of convenience and judicial economy.

22. This Court also has jurisdiction over this matter under 28 U.S.C. § 1332(a) because the amount in controversy exceeds \$75,000 and Plaintiff is a citizen of a different state than Defendant.

#### V. FACTUAL BACKGROUND

23. The day after Christmas 2012, Meghan Dunn was an able-bodied mother and fullyemployed nurse's assistant living and working normally near Defiance, Ohio. Two days after Christmas, on December 27, 2012, she was driving her son, Adin, to her mother's house. Adin's grandmother was going to babysit him while Meghan went to a job interview. As Meghan and Adin were traveling down U.S. 224 Mehgan lost control of her 2005 Chevy Impala and entered the oncoming lane of traffic. Upon information and belief, the incident occurred because the defective ignition switch installed in the Chevy Impala created a moving stall that caused the incident and prevented Mehgan from regaining control of the vehicle; if the ignition switch in Meghan's car had operated as it was supposed to, the incident would not have occurred and Meghan and Adin would not have been injured.

24. Meghan was seriously injured in the incident. She suffered a skull fracture with subarachnoid hemorrhage, the resulting edema in her brain caused her to be paralyzed on her right side. She also suffered a non-displaced fracture of her C2 vertebrae, a broken leg, several broken ribs, severed her carotid artery in two places, severed her left and right vertebral artery. She had to be resuscitated several times at the scene. And her little boy, Adin, witnessed the full extent of her injuries as he unsuccessfully attempted to wake her up before EMS arrived. Meghan's breathing was agonal and she likely expired in front of her son, although she was subsequently

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revived.

25. Meghan continues to suffer significantly from the injuries she received in the incident. She has regained some movement in her right leg but the upper right side of her body remains completely paralyzed. She suffers from significant cognitive deficits as a result of her traumatic brain injury. Meghan will never again lead the life she had prior to her devastating injuries. Her physical injuries, coupled with the emotion injuries Adin continues to suffer, will affect the pair for the remainder of their lives.

#### VI. CAUSES OF ACTION

#### A. Strict Product Liability

26. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

27. GM manufactured Plaintiff's vehicle. GM has admitted publically, through its recall of the Subject Vehicles that Plaintiff's vehicle contained a defect – namely the faulty ignition switch described above. In addition to GM's admission (through the recall and elsewhere) of the existence of the defective Ignition Switch, several studies have concluded that the Ignition Switch at issue is defective, results in "moving stalls," and airbag non-deployment in crashes.<sup>1</sup>

28. The ignition switch was a substantial factor in bringing about Plaintiff's accident and resulting injuries. Not only did the ignition switch render the car uncontrollable and cause the incident, but the defective switch also prevented the airbags from deploying.

29. At all times relevant to this action, Plaintiff was using her vehicle in a proper and foreseeable manner and as it was intended by Defendant to be used when Defendant designed,

See, e.g. Indiana Transportation Research Center Report, April 25, 2007, GMNTHSA000223985; Keith A. Young, Technical Reconstruction Unit, Wisconsin State Patrol Academy, Collision Analysis & Reconstruction Report Feb. 14, 2007 at GMNTHSA000284395; Erin Shipp's Engineer Report at GMNHTSA000309665.

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manufactured, marketed, warranted, and sold the vehicle. Plaintiff's vehicle had not been substantially modified or altered from the condition in which she bought it until the time of the incident that forms the basis of this suit.

30. Plaintiff could not, through the exercise of reasonable care, have discovered the defect in the Ignition Switch and perceived its danger, nor could she have, through the exercise of reasonable care, avoided the incident that caused her injuries.

31. Upon information and belief, the defective component was manufactured as it was designed – a design that relied exclusively on GM's approval of the component's performance. According to the Valukas Report, the design itself was so far below GM's specifications that it failed to keep Plaintiff's vehicle powered on during the normal conditions she encountered on the day of the incident.

32. GM marketed Plaintiff's vehicle, the Subject Vehicles, and Ignition Switches that were designed so that they were not reasonably safe in that they rendered the Subject Vehicles uncontrollable and prevented airbag deployment in a crash. The design of the Ignition Switches and Subject Vehicles was such that the utility of those products did not outweigh the danger of their introduction into the stream of commerce.

33. At the time the Subject Vehicles and the Ignition Switches were produced, there existed, and GM was aware of, cost-effective safer alternative designs that were both feasible and would have made the Subject Vehicles and Ignition Switches safer. Moreover, the safer alternative design would not have impaired the usefulness of the Ignition Switches and Subject Vehicle. In fact, the solution was as simple as using a longer spring, which GM ultimately did in 2006.

34. These design defects were the producing and proximate cause of Plaintiff's accident and resulting injuries.

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35. Defendant also failed to warn the public, and Plaintiff specifically, of the inherent defects in the Subject Vehicles, the Ignition Switches, and Plaintiff's car specifically. Defendant did not inform the public of these life-threatening defects until 2014 – after Plaintiff's accident. Had Defendant warned Plaintiff that the vehicle she was driving could experience a "moving stall" during normal operations and/or that the airbags would not deploy in a crash, Plaintiff would not have bought or continued to operate her vehicle in that defective condition. Defendant's failure to warn Plaintiff regarding the true capabilities, defects, and limitations of her vehicle was the producing and proximate cause of Plaintiff's incident and resulting injuries.

36. Defendant knew, or through the exercise of reasonable care, should have known of the defects, capabilities, and limitations of the Subject Vehicles and the Ignition Switches during intended and foreseeable use. This fact has been borne out in the Valukas Report and will doubtlessly be bolstered during discovery in this case. The mounting evidence makes it clear that, not only was Defendant aware of these defects, they were consciously indifferent to the high risk of grievous harm intendant to the "ignition switch from hell." Defendant gave no warning, much less an adequate warning, that the Subject Vehicles could experience a "moving stall" or that the airbags would fail to deploy as they should. The only adequate warning Defendant could have possibly given would have been to direct consumers to immediately cease to operate the Subject Vehicles. Defendant eventually recalled the Subject Vehicles, but much too late to be of any help to Plaintiff.

#### B. Negligence

37. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

38. Defendant owed a duty of care to the public, and to Plaintiff specifically, to design,

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manufacture, market, warrant, and sell vehicles that were free from dangerous defects and that were capable of being operated safely during normal and foreseeable use.

39. Moreover, Defendant was required by a host of state and federal regulations to design, manufacture, market, warrant, and sell vehicles that were free from dangerous defects and that were capable of being operated safely during normal and foreseeable use.

40. Defendant had a duty to timely discover and remedy defects in the Subject Vehicles, and in Plaintiff's vehicle specifically, that rendered them abnormally dangerous during normal and foreseeable use.

- 41. Defendant breached the above-cited duties in at least the following respects:
  - a. Failing to design an ignition switch that maintained a vehicle in an operational condition during normal and foreseeable use of the vehicle;
  - b. Failing to discover defects in the Subject Vehicles, and in Plaintiff's vehicle specifically, in a timely manner;
  - c. Marketing and selling vehicles that could, and did, experience "moving stalls" during normal and foreseeable use;
  - Failing to warn the public, and Plaintiff specifically, that the Subject Vehicles could and did experience "moving stalls" during normal and foreseeable use of the vehicles;
  - e. Failing to warn the public, and Plaintiff specifically, that the Subject Vehicles could and did experience airbag non-deployment during crashes in which the airbags should deploy;
  - f. Failing to implement proper surveillance procedures to identify, track, and account for incidents related to the failure of the Ignition Switches;

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- g. Ignoring incidents and reports that would have led a reasonable manufacturer of vehicles and components to recall and/or remedy defects in the Subject Vehicles;
- h. Allowing vehicles to be placed in the stream of commerce that Defendant knew or should have known suffered from potentially deadly defects; and
- i. Failing to timely recall the Subject Vehicles when it became apparent, or should have been apparent through the exercise of reasonable care and/or diligence, that crashes were being caused and exacerbated by the faulty Ignition Switches.

42. Defendant's breaches of duty in both common law and statute were the producing and proximate cause of the incident at issue and Plaintiff's damages. Plaintiff belonged to the class of persons meant to be protected by the state and federal regulations breached by Defendant.

#### C. Breach of Express and Implied Warranties; Deceptive Trade Practices

43. The preceding paragraphs are hereby incorporated by reference as if set forth in full here. Plaintiff hereby brings suit pursuant, but not limited, to the Ohio Revised Code § 4165 et. seq. "The Ohio Deceptive Trade Practices Act."

44. The incident in which Plaintiff was injured was caused by the defective Subject Vehicle and Ignition Switch as described herein. Plaintiff was a consumer who did, and reasonably could have been expected to, use and/or be affected by the Subject Vehicles. Plaintiff purchased the vehicle at issue in this case, and there existed privity of contract as that term is known at law.

45. The incident at issue occurred, and Plaintiff was injured, because her vehicle and ignition switch were defective, as described herein, in that they were not safe for normal and foreseeable use.

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46. Defendant expressly and impliedly warranted that the Subject Vehicles would not shut off during normal and foreseeable use, that the Subject Vehicles could be safely operated during normal use, that the essential functions of the Subject Vehicles would remain operable during foreseeable use, and that the airbags would deploy in the case of a crash in which one would normally expect the airbags to deploy.

47. Because of the defects described herein, in various public reports, and as admitted by Defendant itself, these (and other) express and implied warranties were breached by Defendant. The Subject Vehicles, and Plaintiff's vehicle specifically, were not fit for the ordinary purposes for which such vehicles are used nor were they fit for the specific purpose Defendant represented them to be useful for.

48. Defendant's acts and omissions were deceptive in that the Subject Vehicles and Ignition Switches were advertised and warranted to possess qualities, characteristics and protections that they did not, in fact, possess. The Subject Vehicles and Ignition Switches were represented to be of a particular standard, quality and grade, free from defects, of merchantable quality and fit for the purpose for which they were sold and they were not.

49. Defendant's breaches of warranty were the producing and proximate cause of the incident at issue and Plaintiff's damages.

**D.** Gross Negligence

50. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

51. The evidence referenced in this Complaint and the mounting evidence regarding the recent recalls of millions of defective GM vehicles makes it clear that Defendant is guilty of exceptional misconduct. GM was issued, and agreed to, a record fine by the U.S. Department of

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Transportation's National Highway Traffic Safety Administration. Defendant has been aware for more than a dozen years that the ignition switches in the Subject Vehicles were grossly inadequate and subjected the driving public to a grave risk of grievous harm. Producing and marketing vehicles that are subject to complete system failures at highway speeds is akin to launching millions of torpedoes onto American streets and highways – with unsuspecting consumers inside. Defendant knew about the problem for years and, because of greed and/or gross ineptitude, refused to act on the problem. Instead, Defendant gave the issue the "GM nod." The "GM nod" demonstrates that more than one of Defendant's superior officers in the course of employment ordered, ratified, and/or participated in the malicious conduct. These officers acted maliciously, wantonly, and/or recklessly, and clearly the Defendant is guilty of exceptional misconduct and gross negligence. Plaintiff demands punitive damages for this conduct.

#### VII. DAMAGES

52. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

53. Plaintiff, as a result of the liability of Defendant described above, has suffered and makes claim for reasonable and necessary medical expenses incurred as a result of the incident made basis of this suit in the past and future, past and future pain and suffering, lost wages and earning capacity in the past, disfigurement in the past and future, impairment in the past and future and exemplary damages. Plaintiff also demands statutory penalties be imposed pursuant to the Ohio Deceptive Trade Practices Act and attorney's fees. Ward Adin de la Cruz has suffered and demands past and future medical expenses, impairment, mental anguish, pain and suffering and loss of consortium, in addition to exemplary damages.

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#### VIII. CONCLUSION AND PRAYER

54. Defendant has only recently admitted publically its wrongdoing – albeit not to the full extent and not in time to prevent Plaintiff's injuries – but it admitted wrongdoing nonetheless. As the evidence mounts about what was known and when, it is becoming inescapably clear that Defendant needs to be punished and the victims they have injured need to be compensated. The law is powerless to remedy the harms Defendant has caused through its negligent, reckless, and malicious conduct – we cannot restore life or limb. However, justice must be done to the extent we are able, and Plaintiff demands that Defendant answer for its acts and omissions that led to Plaintiff's and be required to pay compensatory and exemplary damages to the full extent allowed by law.

55. WHEREFORE, PREMISES CONSIDERED, Plaintiff respectfully requests Defendant be cited, tried by jury, and, upon verdict in Plaintiff's favor, Judgment be entered against Defendant for:

- a. Actual damages within the jurisdictional limits of this Court;
- b. Property damage and loss;
- c. Exemplary damages to the full extent permitted by law;
- d. Attorney's fees;
- e. Costs of suit;
- f. Pre- and Post-Judgment Interest at the maximum recoverable level; and
- g. All other relief to which the Plaintiff shows herself justifiably entitled.

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**Dated:** December 18, 2014

Respectfully Submitted,

# HEARD ROBINS CLOUD LLP

Derek S. Merman 2000 West Loop South, 22<sup>nd</sup> Floor Houston, Texas 77027 713.650.1200 Voice 713.650.1400 Facsimile *Attorneys for Plaintiff, admitted Pro Hac Vice*  09-500236ereg14-Doot 01234493-39//FFiled c1.0/08/115439En2tereide 110/08/05153:053551 @xhabit 9 Pg 22 of 37

# UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

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#### IN RE: GENERAL MOTORS LLC IGNITION SWITCH LITIGATION

This Document Relates to:

14-MD-2543 (JMF)

Case No. 1:14-cv-10006-JMF

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# MEGHAN DUNN, INDIVIDUALLY AND ON BEHALF OF ADIN DE LA CRUZ, a minor PLAINTIFF,

Complaint

Jury Trial Demanded

V.

# GENERAL MOTORS, LLC, DEFENDANT

AMENDED COMPLAINT

COMES NOW Plaintiff, through undersigned counsel, and for cause of action respectfully shows as follows:

#### I. PRELIMINARY STATEMENT

1. Plaintiff was involved in a motor vehicle incident with her son, Adin, on December 27, 2012 in her 2005 Chevy Impala. The incident occurred on U.S. 224 around 1 p.m. near Ottawa, Putnam County, Ohio. Upon information and belief, Plaintiff's car lost power, causing her to lose control and enter the lane of oncoming traffic. Further, upon information and belief, the loss of power was caused by a defective ignition switch installed in her Impala. Plaintiff's car was struck on the side causing catastrophic damage to her vehicle and body. Plaintiff has been functionally incapacitated since the day of the incident. Her son also suffered physical and severe emotional injuries in the incident.

2. Plaintiff's causes of action are brought against GENERAL MOTORS LLC ("New

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GM"). Plaintiff does not assert any causes of action against General Motors Corporation ("Old GM"), although Old GM manufactured Plaintiff's 2005 Chevy Impala. The incident at issue in this case occurred after the Old GM bankruptcy, which is discussed briefly below. The subject vehicle has been recalled by General Motors LLC, and New GM is strictly liable for the incident.

3. While at times this Complaint references acts and omissions by Old GM, these references are for background purposes only. Old GM arguably ceased to exist pursuant to the June 26, 2009 Amended and Restated Master Sale and Purchase Agreement wherein New GM acquired certain Old GM assets. That Amended and Restated Master Sale and Purchase Agreement was approved on July 10, 2009. In that Agreement, New GM expressly agreed to accept responsibility for product liability claims that arose from accidents or incidents occurring on or after July 10, 2009. The incident that forms the basis of Plaintiff's claims occurred after July 10, 2009.

4. While New GM expressly accepted responsibility for accidents occurring on or after July 10, 2009, it also acquired knowledge of Old GM's activities generally, and the existence of the defective ignition switch in place in millions of vehicles specifically. New GM acquired personnel from Old GM, including but not limited to, top leadership personnel, executives, members of the Board of Directors, internal legal counsel, engineers and quality control personnel. Most importantly, New GM retained the engineer in charge of designing and approving the manufacturing specifications of the defective ignition switch. The employees retained by New GM carried with them the knowledge they gained at Old GM. New GM also acquired knowledge about the issues with the ignition switch, moving stalls and airbag non-deployment through the chief engineer, design and manufacturing documents, internal memorandum, and reports to the Board of Directors. New GM continued to service – and receive complaints about – vehicles

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manufactured on Old GM's watch. While the change from Old GM to New GM arguably had some legal effect with regard to creditors who received notice of their rights, it had little practical effect relative to the problems with, and knowledge of, the ignition-switch defect.

5. New GM also acquired certain duties with regard to vehicles in production and on the road at the time of the Sale and Purchase Agreement – duties it breached egregiously – as has been well-publicized and for which it has been justifiably criticized. These duties included, but are not limited to, those arising under the National Traffic and Motor Vehicle Safety Act, 49 U.S.C. § 30101 *et. seq.* and the Transportation Recall Enhancement, Accountability and Documentation Act, 49 U.S.C. §§ 30101 – 30170. GM was fined \$35 Million by NTSHA for its delayed reporting of the ignition switch problem and violating federal safety laws. New GM's liability for damages is attributable to its own post-sale conduct and failure to timely remedy and/or recall vehicles it knew had deadly defects, even with regard to vehicles manufactured and sold prior to the Sale and Purchase Agreement. Plaintiff's case is a prime example of liability and gross negligence that is inarguably attributable solely to New GM, as is shown below.

#### II. INTRODUCTION

6. At the time of this filing, more than 12,000,000 GM vehicles have been recalled because of a defective ignition switch. Hundreds, if not thousands, of accidents are now known to have been caused by vehicles losing power and control because the defective ignition switch turned from "on" to "off" during normal and foreseeable operation. When the ignition switch fails, drivers are unable to use their steering and brakes in an effective manner. The resulting loss of control, or "moving stall," and subsequent accidents are exacerbated by the fact that the defective ignition switch also prevents life-saving airbags from deploying. So, in addition to causing accidents, the defective part makes the resulting damages even greater. As used in this Complaint,

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the "Subject Vehicles" refers to the GM vehicles manufactured, upon information and belief, on the Delta Platform, sold in the United States, equipped at the time of sale with ignition switches (the "Ignition Switches"), and sharing a common defective design, including the following makes and model years:

# **Buick:**

- Lacrosse (2005 2009)
- Lucerne (2006 2011)

# **Cadillac:**

- CTS (2003 2014)
- Deville (2000 2005)
- DTS (2006 2011)
- SRX (2004 2006)

# **Chevrolet:**

- Camaro (2010 2014)
- Cobalt (2005 2010)
- HHR (2006 2011)
- Impala (2000 2014)
- Malibu (1997 2005)
- Monte Carlo (2000 2007)

# **Oldsmobile:**

- Alero (1999 2004)
- Intrigue (1998 2002)

# **Pontiac:**

- G5 (2007 2010)
- Grand Am (1999 2005)
- Grand Prix (2004 2008)
- Solstice (2006 2010)

# Saturn:

- Ion (2003 2007)
- Sky (2007 2010)

7. Plaintiff's 2005 Chevrolet Impala is included in the above-listed "Subject Vehicles" and contained the defective Ignition Switch that is the subject of the 2014 GM ignition switch recalls. Plaintiff's vehicle, which bears the VIN number 2G1WF52EX59114690, was in substantially the same condition as when it left the manufacturer and contained a defective ignition switch that, upon information and belief was the proximate and producing cause of the incident at issue and Plaintiff's resulting injuries and damages.

8. The Ignition Switch that was approved by GM and installed in the GM Subject Vehicles identified above, was one of several switches manufactured at GM's direction in 2001. Each type of switch was manufactured, tested and evaluated by GM engineers prior to production. The switch that was ultimately selected by GM (the "Delta Switch") had a shorter spring in the

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detent plunger that gave it a smoother, more "European" feel. Another switch was identical to the Delta Switch in every respect except that it used a longer spring in the detent plunger. The longer spring increased the torque required to engage and disengage the ignition switch – it made it hard to turn the key in both directions. The longer spring also sacrificed the smooth feel that was so important to GM.

9. According to the recently published "Report to the Board of Directors of General Motors Company Regarding Ignition Switch Recalls" authored by Anton R. Valukas ("The Valukas Report"), GM made a conscious decision, in the fall of 2002, to use the Delta Switch in the Subject Vehicles "that was so far below GM's own specifications that it failed to keep the car powered on in circumstances that drivers would encounter." GM knew of, and approved, the final version of the Ignition Switch that was installed in millions of cars despite knowing that the force required to disengage the ignition switch was far below minimum specifications.

10. According to documents obtained by a House of Representatives Committee during an investigation into the Defective Ignition Switches, GM opened an engineering inquiry about the defective Ignition Switch in 2004 after customers complained that the Subject Vehicles could be turned off while driving. Also according to those documents, the Cobalt program engineer rejected a proposal to change the Ignition Switch claiming that the part was too expensive and the change would take too much time – after he experienced the same problem while performing a test drive of a Cobalt. The cost that the project engineer found intolerably high was less than one dollar per vehicle.

11. The switch was eventually redesigned in 2006, although using the same part number as the Delta Switch. Remarkably, the solution to the torqueing problem had been present since 2001; all that needed to be done was use the longer spring that had already been tested in

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the design phase. No other changes were made to the switch and, aside from affecting the "European" feel of the switch, the new switch with the longer spring functioned capably. The longer spring also brought the ignition switch into spec with regard to torque force.

12. The decision to use the same part number meant that already-produced Delta Switches continued to be installed in GM vehicles even after the attempted design correction was implemented. Apparently GM's chief design engineer "forgot" the change had been made to correct the torque issue. This additional blunder exacerbated the problem with the GM vehicles; GM had no idea what cars had the Delta Switch and which had the switch with the new, longer spring.

13. Although the switch's inability to keep the car powered on during normal and foreseeable use of the subject vehicles "were known within GM's engineering ranks at the earliest stages of its [the switch's] production," GM ignored the safety risks attendant to these "moving stalls." These risks include, but are not limited to, sudden failure of: power steering, anti-lock brakes, electronic stability control, lane departure warnings, navigation systems, and airbag deployment. These sudden system failures made the Subject Vehicles impossible to control and, once the inevitable accident occurred, left the driver and passengers without life-saving airbags.

14. Apparently, GM viewed the defective ignition switches as a convenience and comfort and looked everywhere but at the design to determine the problem. GM failed to focus on the safety problems with the ignition switch turning a vehicle off during normal operation and, inexplicably, failed to link the power failure with a failure to allow airbags to deploy in a resulting accident.

#### 15. Also according to The Valukas Report:

"While GM heard over and over from various quarters – including customers, dealers, the press and their own employees – that the car's ignition switch led to moving stalls, group after group and committee after committee within GM that reviewed the issue failed to take action or acted too slowly. Although everyone had responsibility to fix the problem, nobody took responsibility. It was an example of what one top executive described as the "GM nod," when everyone nods in agreement to a proposed plan of action, but then leave the room and does nothing."

16. Although GM was aware (after the Purchase and Sale Agreement with Old GM) of the problem with the switches, the link between the defect and airbag non-deployment, hundreds of accidents, and dozens of acknowledged deaths attributable to the defective ignition switches, GM did not even begin recalling the Subject Vehicles until 2014. Not even the solution is attributable to GM – it was a plaintiff attorney's investigator that finally disassembled the defective part and discovered the problem that GM had been incapable of discovering for a dozen years.

17. Instead of accepting the defects in the Subject Vehicles and Ignition Switches as real safety issues, GM publically denied that either was a problem. Instead of working to identify and correct the problem, GM, its directors, engineers and counsel devoted their efforts to minimizing the perceived frequency and pervasiveness of the problems. Instead of accepting responsibility for the incidents and tragedy it caused, Defendant focused on "defending the brand" and public relations. Defendant knew, or in the exercise of the most basic diligence, should have known that a defect that causes system-wide failure of key components presented a significant safety risk to the public.

18. As a result of GM's negligent, reckless, and malicious conduct, Plaintiff owned and operated a vehicle with a defective ignition switch, described by the designing engineer as
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"the switch from hell." This defective ignition switch is believed to be the cause of Plaintiff's accident and resulting catastrophic injuries, which are explained more fully below.

# **III. PARTIES**

19. Plaintiff Meghan Dunn, Individually and on behalf of Adin De La Cruz, a Minor, is a resident of Findlay, Ohio.

20. Defendant General Motors LLC ("New GM") is a Delaware limited liability company with its principal place of business at 300 Renaissance Center, MC: 482-C14-C66, Detroit, Michigan 48265 and may be served with process through service on its designated agent for service of process, CSC-Lawyers Incorporating Service, 50 W. Broad Street, Ste. 1800, Columbus, Ohio 43215. At all times relevant herein, General Motors Corporation and its successor in interest GENERAL MOTORS LLC were engaged in the business of designing, manufacturing, constructing, assembling, marketing, warranting, distributing, selling, leasing, and servicing automobiles, including the Subject Vehicle, as described in this Complaint, and other motor vehicles and motor vehicle components throughout the United States. General Motors LLC has sufficient contacts with Ohio, such that under the Ohio Long Arm Statute it is subject to, and has submitted to, the jurisdiction of this Court.

#### IV. JURISDICTION AND VENUE

21. Jurisdiction is proper in this Court pursuant to Case Management Order No. 8 in *In re General Motors LLC Ignition Switch Litigation*, [14-MC-2543, Dkt. No. 36]. By filing this Complaint in this district, however, Plaintiff does not waive her right to transfer this case to the district in which she resides at the conclusion of pretrial proceedings. Moreover, Plaintiff does not waive her rights or consent with regard to choice of law by filing directly into the MDL Court pursuant to the Court's Case Management Order No. 8 and specifically relies on representations

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by GM to the Court that she will not be prejudiced by her decision to file directly into the MDL Court in the interest of convenience and judicial economy.

22. This Court also has jurisdiction over this matter under 28 U.S.C. § 1332(a) because the amount in controversy exceeds \$75,000 and Plaintiff is a citizen of a different state than Defendant.

# V. FACTUAL BACKGROUND

23. The day after Christmas 2012, Meghan Dunn was an able-bodied mother and fullyemployed nurse's assistant living and working normally near Defiance, Ohio. Two days after Christmas, on December 27, 2012, she was driving her son, Adin, to her mother's house. Adin's grandmother was going to babysit him while Meghan went to a job interview. As Meghan and Adin were traveling down U.S. 224 Mehgan lost control of her 2005 Chevy Impala and entered the oncoming lane of traffic. Upon information and belief, the incident occurred because the defective ignition switch installed in the Chevy Impala created a moving stall that caused the incident and prevented Mehgan from regaining control of the vehicle; if the ignition switch in Meghan's car had operated as it was supposed to, the incident would not have occurred and Meghan and Adin would not have been injured.

24. Meghan was seriously injured in the incident. She suffered a skull fracture with subarachnoid hemorrhage, the resulting edema in her brain caused her to be paralyzed on her right side. She also suffered a non-displaced fracture of her C2 vertebrae, a broken leg, several broken ribs, severed her carotid artery in two places, severed her left and right vertebral artery. She had to be resuscitated several times at the scene. And her little boy, Adin, witnessed the full extent of her injuries as he unsuccessfully attempted to wake her up before EMS arrived. Meghan's breathing was agonal and she likely expired in front of her son, although she was subsequently

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revived.

25. Meghan continues to suffer significantly from the injuries she received in the incident. She has regained some movement in her right leg but the upper right side of her body remains completely paralyzed. She suffers from significant cognitive deficits as a result of her traumatic brain injury. Meghan will never again lead the life she had prior to her devastating injuries. Her physical injuries, coupled with the emotion injuries Adin continues to suffer, will affect the pair for the remainder of their lives.

# VI. CAUSES OF ACTION

# A. Strict Product Liability

26. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

27. GM manufactured Plaintiff's vehicle. GM has admitted publically, through its recall of the Subject Vehicles that Plaintiff's vehicle contained a defect – namely the faulty ignition switch described above. In addition to GM's admission (through the recall and elsewhere) of the existence of the defective Ignition Switch, several studies have concluded that the Ignition Switch at issue is defective, results in "moving stalls," and airbag non-deployment in crashes.<sup>1</sup>

28. The ignition switch was a substantial factor in bringing about Plaintiff's accident and resulting injuries. Not only did the ignition switch render the car uncontrollable and cause the incident, but the defective switch also prevented the airbags from deploying.

29. At all times relevant to this action, Plaintiff was using her vehicle in a proper and foreseeable manner and as it was intended by Defendant to be used when Defendant designed,

See, e.g. Indiana Transportation Research Center Report, April 25, 2007, GMNTHSA000223985; Keith A. Young, Technical Reconstruction Unit, Wisconsin State Patrol Academy, Collision Analysis & Reconstruction Report Feb. 14, 2007 at GMNTHSA000284395; Erin Shipp's Engineer Report at GMNHTSA000309665.

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manufactured, marketed, warranted, and sold the vehicle. Plaintiff's vehicle had not been substantially modified or altered from the condition in which she bought it until the time of the incident that forms the basis of this suit.

30. Plaintiff could not, through the exercise of reasonable care, have discovered the defect in the Ignition Switch and perceived its danger, nor could she have, through the exercise of reasonable care, avoided the incident that caused her injuries.

31. Upon information and belief, the defective component was manufactured as it was designed – a design that relied exclusively on GM's approval of the component's performance. According to the Valukas Report, the design itself was so far below GM's specifications that it failed to keep Plaintiff's vehicle powered on during the normal conditions she encountered on the day of the incident.

32. GM marketed Plaintiff's vehicle, the Subject Vehicles, and Ignition Switches that were designed so that they were not reasonably safe in that they rendered the Subject Vehicles uncontrollable and prevented airbag deployment in a crash. The design of the Ignition Switches and Subject Vehicles was such that the utility of those products did not outweigh the danger of their introduction into the stream of commerce.

33. At the time the Subject Vehicles and the Ignition Switches were produced, there existed, and GM was aware of, cost-effective safer alternative designs that were both feasible and would have made the Subject Vehicles and Ignition Switches safer. Moreover, the safer alternative design would not have impaired the usefulness of the Ignition Switches and Subject Vehicle. In fact, the solution was as simple as using a longer spring, which GM ultimately did in 2006.

34. These design defects were the producing and proximate cause of Plaintiff's accident and resulting injuries.

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35. Defendant also failed to warn the public, and Plaintiff specifically, of the inherent defects in the Subject Vehicles, the Ignition Switches, and Plaintiff's car specifically. Defendant did not inform the public of these life-threatening defects until 2014 – after Plaintiff's accident. Had Defendant warned Plaintiff that the vehicle she was driving could experience a "moving stall" during normal operations and/or that the airbags would not deploy in a crash, Plaintiff would not have bought or continued to operate her vehicle in that defective condition. Defendant's failure to warn Plaintiff regarding the true capabilities, defects, and limitations of her vehicle was the producing and proximate cause of Plaintiff's incident and resulting injuries.

36. Defendant knew, or through the exercise of reasonable care, should have known of the defects, capabilities, and limitations of the Subject Vehicles and the Ignition Switches during intended and foreseeable use. This fact has been borne out in the Valukas Report and will doubtlessly be bolstered during discovery in this case. The mounting evidence makes it clear that, not only was Defendant aware of these defects, they were consciously indifferent to the high risk of grievous harm intendant to the "ignition switch from hell." Defendant gave no warning, much less an adequate warning, that the Subject Vehicles could experience a "moving stall" or that the airbags would fail to deploy as they should. The only adequate warning Defendant could have possibly given would have been to direct consumers to immediately cease to operate the Subject Vehicles. Defendant eventually recalled the Subject Vehicles, but much too late to be of any help to Plaintiff.

#### B. Negligence

37. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

38. Defendant owed a duty of care to the public, and to Plaintiff specifically, to design,

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manufacture, market, warrant, and sell vehicles that were free from dangerous defects and that were capable of being operated safely during normal and foreseeable use.

39. Moreover, Defendant was required by a host of state and federal regulations to design, manufacture, market, warrant, and sell vehicles that were free from dangerous defects and that were capable of being operated safely during normal and foreseeable use.

40. Defendant had a duty to timely discover and remedy defects in the Subject Vehicles, and in Plaintiff's vehicle specifically, that rendered them abnormally dangerous during normal and foreseeable use.

- 41. Defendant breached the above-cited duties in at least the following respects:
  - a. Failing to design an ignition switch that maintained a vehicle in an operational condition during normal and foreseeable use of the vehicle;
  - b. Failing to discover defects in the Subject Vehicles, and in Plaintiff's vehicle specifically, in a timely manner;
  - c. Marketing and selling vehicles that could, and did, experience "moving stalls" during normal and foreseeable use;
  - Failing to warn the public, and Plaintiff specifically, that the Subject Vehicles could and did experience "moving stalls" during normal and foreseeable use of the vehicles;
  - e. Failing to warn the public, and Plaintiff specifically, that the Subject Vehicles could and did experience airbag non-deployment during crashes in which the airbags should deploy;
  - f. Failing to implement proper surveillance procedures to identify, track, and account for incidents related to the failure of the Ignition Switches;

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- g. Ignoring incidents and reports that would have led a reasonable manufacturer of vehicles and components to recall and/or remedy defects in the Subject Vehicles;
- h. Allowing vehicles to be placed in the stream of commerce that Defendant knew or should have known suffered from potentially deadly defects; and

i. Failing to timely recall the Subject Vehicles when it became apparent, or should have been apparent through the exercise of reasonable care and/or diligence, that crashes were being caused and exacerbated by the faulty Ignition Switches.

42. Defendant's breaches of duty in both common law and statute were the producing and proximate cause of the incident at issue and Plaintiff's damages. Plaintiff belonged to the class of persons meant to be protected by the state and federal regulations breached by Defendant.

## C. Gross Negligence

43. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

44. The evidence referenced in this Complaint and the mounting evidence regarding the recent recalls of millions of defective GM vehicles makes it clear that Defendant is guilty of exceptional misconduct. GM was issued, and agreed to, a record fine by the U.S. Department of Transportation's National Highway Traffic Safety Administration. Defendant has been aware for more than a dozen years that the ignition switches in the Subject Vehicles were grossly inadequate and subjected the driving public to a grave risk of grievous harm. Producing and marketing vehicles that are subject to complete system failures at highway speeds is akin to launching millions of torpedoes onto American streets and highways – with unsuspecting consumers inside.

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Defendant knew about the problem for years and, because of greed and/or gross ineptitude, refused to act on the problem. Instead, Defendant gave the issue the "GM nod." The "GM nod" demonstrates that more than one of Defendant's superior officers in the course of employment ordered, ratified, and/or participated in the malicious conduct. These officers acted maliciously, wantonly, and/or recklessly, and clearly the Defendant is guilty of exceptional misconduct and gross negligence. Plaintiff demands punitive damages for this conduct.

#### VII. DAMAGES

45. The preceding paragraphs are hereby incorporated by reference as if set forth in full here.

46. Plaintiff, as a result of the liability of Defendant described above, has suffered and makes claim for reasonable and necessary medical expenses incurred as a result of the incident made basis of this suit in the past and future, past and future pain and suffering, lost wages and earning capacity in the past, disfigurement in the past and future, impairment in the past and future and exemplary damages. Ward Adin de la Cruz has suffered and demands past and future medical expenses, impairment, mental anguish, pain and suffering and loss of consortium, in addition to exemplary damages.

#### VIII. CONCLUSION AND PRAYER

47. Defendant has only recently admitted publically its wrongdoing – albeit not to the full extent and not in time to prevent Plaintiff's injuries – but it admitted wrongdoing nonetheless. As the evidence mounts about what was known and when, it is becoming inescapably clear that Defendant needs to be punished and the victims they have injured need to be compensated. The law is powerless to remedy the harms Defendant has caused through its negligent, reckless, and malicious conduct – we cannot restore life or limb. However, justice must be done to the extent

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we are able, and Plaintiff demands that Defendant answer for its acts and omissions that led to Plaintiff's and be required to pay compensatory and exemplary damages to the full extent allowed by law.

48. WHEREFORE, PREMISES CONSIDERED, Plaintiff respectfully requests Defendant be cited, tried by jury, and, upon verdict in Plaintiff's favor, Judgment be entered against Defendant for:

- a. Actual damages within the jurisdictional limits of this Court;
- b. Property damage and loss;
- c. Exemplary damages to the full extent permitted by law;
- d. Attorney's fees;
- e. Costs of suit;
- f. Pre- and Post-Judgment Interest at the maximum recoverable level; and
- g. All other relief to which the Plaintiff shows herself justifiably entitled.

Respectfully submitted,

Dated: September 30, 2015

# THE POTTS LAW FIRM, LLP

By: <u>/s/ Eric G. Jensen</u> Eric G. Jensen MO# 43094 Derek H. Potts NY #44882 The Potts Law Firm, LLP 1901 W. 47<sup>th</sup> Place, Suite 210 Westwood, KS 66205 (816) 931-2230 (telephone) (816) 817-0478 (facsimile)

# **ATTORNEYS FOR PLAINTIFFS**

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# **EXHIBIT 10**







October 2, 2015

Via Electronic Court Filing

The Honorable Jesse M. Furman United States District Court for the Southern District of New York

# **Re:** *In re: General Motors LLC Ignition Switch Litigation*, 14-MD-2543 (JMF); 14-MC-2543

Dear Judge Furman:

Pursuant to this Court's Order No. 8 § IV.B, counsel for General Motors LLC ("New GM") and Lead Counsel – having met and conferred on multiple occasions with each other and having conferred with counsel for the other Defendants – submit this joint letter setting forth the parties' tentative agenda for the October 9, 2015 Status Conference. The parties believe that the Court does not need to allot more than three hours for the Status Conference.

# 1. Status of Bankruptcy Proceedings and Second Circuit Appeal.

As previously noted, on June 1, 2015, Judge Gerber entered: (i) a Judgment related to the Bankruptcy Court's April 15, 2015 Decision on Motion to Enforce Sale Order; and (ii) an Order certifying the Judgment for Direct Appeal to the Second Circuit. Notices of Appeal, Statements of Issues, and Designations of Record with respect to the Judgment have been filed with the Bankruptcy Court, and petition and cross-petitions were filed with the Court of Appeals for the Second Circuit, seeking a direct appeal of the Judgment (and related orders) to that Court. On September 9, 2015, the Second Circuit authorized a direct appeal of the Judgment. Following a meet and confer process, and as discussed in Plaintiffs' letter to Your Honor of Sept. 25, 2015, the Economic Loss Plaintiffs and the Pre-Closing Accident Plaintiffs filed an unopposed motion to redesignate the parties to the appeal such that plaintiffs, in addition to plaintiffs represented by Mr. Gary Peller, would be properly aligned as the appellants in the appeal. The motion has not yet been ruled upon. Other parties in the appeal, namely the Groman Plaintiffs and the Participating Unitholders, have filed, or indicated they imminently will be filing, similar motions.

At the direction of this Court, the parties to the appeal also met and conferred on an appropriate expedited briefing schedule for the appeal, and an unopposed motion seeking an expedited briefing schedule was filed by Plaintiffs on September 29, 2015. The parties' proposed briefing schedule, subject to approval by the Second Circuit and premised on the assumption that the Unopposed Motion to Redesignate would be granted, is as follows: (i) Principal Briefs of all Appellants will be due November 16, 2015; (ii) Response Briefs of all Appellees and Cross-Appellants will be due January 11, 2016; (iii) Reply Briefs of all Appellees and Cross-Appellees will be due February 1, 2016; (iv) Reply Briefs for all Appellees and Cross-Appellants will be due

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February 22, 2016; and (v) oral argument is requested for March 8, 2016, or the earliest possible date thereafter. It is anticipated that there will be at least three appellant briefs filed.

In addition, as noted in the previous conference agenda, Judge Gerber entered a case management order on August 19, 2015, which directed the parties, among other things, to advise him by August 26, 2015 whether/when additional submissions will be provided with respect to pleadings filed pursuant to the procedures outlined in the Judgment. After a hearing before the Bankruptcy Court on August 31, 2015, Judge Gerber entered a Scheduling Order on September 3, 2015 ("September 3 Scheduling Order") which set forth briefing schedules to address (i) whether plaintiffs may request punitive/special/exemplary damages against New GM based in any way on the conduct of Old GM, and (ii) whether causes of action in complaints filed against New GM relating to Old GM vehicles/parts based on the knowledge Old GM employees gained while working for Old GM and/or as reflected in Old GM's books and records, can be imputed to New GM. The briefing schedules on these two issues concluded on September 30, 2015. The September 3 Scheduling Order also established a schedule by which New GM was to file marked pleadings and explanatory letters with respect to (i) the complaints filed in the Bellwether Cases, (ii) the Second Amended Consolidated Complaint ("SACC"), (iii) the complaints filed in the lawsuits commenced by the States of Arizona and California, and (iv) complaints filed by other plaintiffs (which may be included in MDL 2543 or not). Plaintiffs involved in these lawsuits had a specific period of time in which to file responses to the marked pleadings and New GM's explanatory letters, with the last such date being October 9, 2015. Judge Gerber will hold a hearing on all matters set forth in the September 3 Scheduling Order on October 14, 2015.

Lastly, as also noted in the previous conference agenda letter, on June 3, 2015, Wilmington Trust Company, as GUC Trust Administrator and Trustee, filed a motion, *inter alia*, to exercise New GM warrants and liquidate stock. The Ignition Switch Plaintiffs and certain Non-Ignition Switch Plaintiffs did not object to the sale of the warrants and stock but challenged the GUC Trust's right to make further distributions to GUC Trust beneficiaries. The Bankruptcy Court held an evidentiary hearing on the requested stay of further distributions on September 22, 2015, and closing argument took place on September 24. The matter has been taken under advisement.

# 2. Coordination in Related Actions.

The parties will be prepared to address their ongoing coordination efforts and emerging coordination risks in Related Actions (*See* Order No. 15, Doc. No. 315), including emerging coordination risks to these MDL proceedings posed by motion practice in the *Davidson* and *Mathes* matters. (*See* 9/25/2015 Related Case Update Letter, Docket No. 1406.) In light of the threat to MDL coordination efforts posed by the *Davidson* plaintiff's motion to compel production of the Valukas Report, including any and all documents referenced therein, the parties respectfully request that the Court utilize the tools at its disposal—including communications with the Honorable Corbin Johnson—to promote and facilitate coordination in *Davidson* prior to the October 9, 2015 hearing on the *Davidson* plaintiff's motion.

# **3.** New GM's Document Production.

New GM has complied and will continue to comply with its rolling production obligations and deadlines set forth in the Court's orders. To date, New GM has produced into the MDL 2543

Document Depository more than 2.5 million documents (totaling over 14 million pages).

# 4. Deposition Update.

To date, the parties have conducted 242 depositions, including 178 depositions of Category 3 - 6 witnesses (case-specific witnesses, *see* Order No. 43, Doc. No. 744) and 64 depositions of Category 1 witnesses (current or former General Motors' employees, *see id.*), and dates for the depositions of an additional 26 Category 1 witnesses have been confirmed. In addition, New GM has taken the depositions of 17 experts designated by the bellwether plaintiffs.

The parties have agreed to a briefing schedule regarding the parties' dispute with respect to two Category 1 witnesses (Amber Hendricks and Lisa Stacey) whose depositions plaintiffs have requested. The parties propose filing competing letter briefs (not to exceed five single-spaced pages) by today, Friday October 2, and as such the issue will be ripe for discussion and resolution at the Status Conference.

Additionally, the parties will be prepared to propose a briefing schedule regarding a purported trial subpoena that plaintiffs served on counsel for former New GM General Counsel, Michael P. Millikin, during his deposition on August 26, 2015.

Finally, consistent with Order No. 12 Section XIII (Docket No. 296), New GM will file a letter brief (not to exceed three single-spaced pages) on Monday, October 5, regarding a discovery dispute related to New GM's 30(b)(6) deposition notice to Delphi.

# 5. Bellwether Expert Discovery Disputes.

The parties have two related disputes regarding expert discovery that are ripe for the Court's attention. The first involves whether and to what extent the bellwether plaintiffs and their experts should be permitted to rely upon and testify about analyses, tests and other work performed, or opinions disclosed after the July 29, 2015 report deadline. The second involves whether and to what extent plaintiffs' experts should be allowed to submit rebuttal reports. The parties propose submitting simultaneous letter briefs (not to exceed five single-spaced pages) on each of these issues in advance of the Status Conference, with New GM proposing that briefs be filed by Tuesday, October 6, at noon EDT, and plaintiffs proposing that briefs be filed on Wednesday, October 7.

# 6. Trial Witnesses.

Plaintiffs have requested that New GM agree to make available live in plaintiffs' case-inchief any witnesses that New GM intends to present live in its case-in-chief. New GM has requested that plaintiffs provide authority for this request. Once the parties have met and conferred regarding this issue, the parties will raise any unresolved disputes to the Court's attention.

The parties also plan to meet and confer regarding whether interim disclosures of certain trial witnesses should be made in advance of the December 11, 2015 trial witness disclosure deadline. (*See* Order No. 78, Docket No. 1350.)

# 7. Jury Selection Matters

Consistent with Order No. 80 (Docket No. 1380), the parties will be prepared to discuss the Court's preliminary views and their own views regarding jury selection matters at the Status Conference.

# 8. Privilege Disputes.

The parties continue to work through various issues with respect to plaintiffs' privilege challenges and New GM's clawback of documents it asserts are privileged. Consistent with Order No. 77 Section VI, the parties anticipate proposing in the near future a reasonable and efficient process for resolving privilege disputes.

# 9. Timing and Scope of Motion Practice on SACC.

Plaintiffs wish to discuss the timing and scope of motion practice limited to plaintiffs' claims of New GM misconduct *vis-à-vis* vehicles sold by New GM as alleged in the SACC. Plaintiffs believe that addressing these issues soon will advance the litigation and would be consistent with the Court's expressed desire to maintain a "reasonable but aggressive" schedule. Since the Court's decision to defer motion practice, Plaintiffs believe that the circumstances have changed in that the overall scope of issues in the case has narrowed based on a resolution of part of the case. Moreover, the appeal process, while expedited, will endure deep into 2016 given the ongoing litigation in the bankruptcy court and the large number of appeals. Accordingly, Plaintiffs believe that issues related to New GM's conducted related to all cars sold by New GM after the Sale should now be considered.

New GM notes that the parties already litigated this issue in late June 2015 specifically and the Court already ruled on July 15, 2015 that "motion practice with respect to the SACC should be deferred — at least until after the question of whether the SACC is consistent with the Bankruptcy Court's judgment of June 1, 2015, is resolved." (*See* 6/30/2015 Letter Brief, Docket No. 1100; 07/15/2015 Memo Endorsement, Docket No. 1184.) The Court also denied plaintiffs' motion to withdraw the reference. (*See* 8/27/2015 Opinion and Order, Docket No. 1293.) As such, New GM does not believe that anything has changed that would support plaintiffs' request to undertake motion practice with the SACC at this time. New GM has also asked plaintiffs whether they intend to amend the SACC, and if so, when.

# 10. Phase Three Discovery Plan.

Consistent with Order No. 77 Section V (Docket No. 1349), the parties continue to meet and confer regarding a proposed Phase Three Discovery Plan, and propose that the Court permit the parties additional time to either narrow the issues in dispute or submit an agreed upon proposed order. The parties respectfully request that the Court extend the time to submit the agreed upon proposal or competing letter briefs to Friday, October 16, 2015.

# 11. Settlement.

The parties continue to discuss possible resolution mechanisms.

In addition, as the Court knows, on September 17, certain Claimants' Counsel and New GM entered into a Confidential Memorandum of Understanding in which approximately 1,380 post-Bankruptcy personal injury and wrongful death claimants represented by certain Claimants' Counsel may be eligible to participate in an aggregate settlement. (*See* Docket No. 1368.) We anticipate filing shortly a motion and proposed order seeking establishment of a Qualified Settlement Fund and appointment of Special Masters. The six bellwether trials are not part of the Memorandum of Understanding, still remain on the docket, and the parties will be prepared to discuss trial issues at the Status Conference.

Finally, on September 17, New GM advised the Court regarding resolution of (i) the Department of Justice's investigation of New GM involving the ignition switch; and (ii) the putative securities class action pending before the Honorable Linda Parker in the Eastern District of Michigan. (*See* Docket No. 1370.) New GM will be prepared at the Status Conference to answer any questions the Court may have regarding either of these matters.

Respectfully,

/s/ Steve W. Berman	/s/ Elizabeth J. Cabraser Elizabeth J. Cabraser	<u>/s/ Bob Hilliard</u> Bob Hilliard
Steve W. Berman Hagens Berman Sobol	Lieff Cabraser Heimann &	Hilliard Muñoz Gonzales L.L.P.
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-and-	-and-	
555 Fifth Avenue	250 Hudson Street	
Suite 1700	8th Floor	
New York, NY 10017	New York, NY 10013-1413	

cc: The Honorable Robert E. Gerber MDL Counsel of Record

The parties shall file simultaneous letter briefs on their bellwether expert discovery dispute (item #5 above) by **October 8, 2015**, at **noon**. Counsel should be prepared to address, and/or update the Court with respect to, all of the issues discussed above at the October 9, 2015 status conference. The Clerk of Court is directed to docket this endorsed letter in 14-MD-2543 and 14-MC-2543.

SO ORDERED.

October 7, 2015

09-50026-reg Doc 13493-11 Filed 10/08/15 Entered 10/08/15 13:05:55 Exhibit 11 Pg 1 of 5

# **EXHIBIT 11**

09-50026accg1:12/eccd-32493-3-11MFile0/01/08/115146Entered/10/08/15513F05g551.oExhibit 11 Pg 2 of 5

# KIRKLAND & ELLIS LLP

AND AFFILIATED PARTNERSHIPS

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October 8, 2015

The Honorable Jesse M. Furman United States District Court for the Southern District of New York 500 Pearl Street New York, NY 10007

# *Re:* In re: General Motors LLC Ignition Switch Litigation, 14-MD-2543 (JMF)

Dear Judge Furman:

Andrew B. Bloomer, P.C. To Call Writer Directly:

(312) 862-2482

andrew.bloomer@kirkland.com

Pursuant to this Court's Order No. 8 § V, Lead and Liaison Counsel and counsel for General Motors LLC ("New GM") submit this joint written update to advise the Court of matters of possible significance in proceedings related to MDL 2543.

First, on October 1, 2015, plaintiffs served New GM with significant discovery requests substantially overlapping with MDL discovery in *Shell, et al. v. Gen. Motors LLC*, No. 1522-CC00346 (City of St. Louis, Mo.), a wrongful death and personal injury action alleging ignition switch defects in multiple vehicles. Several of Plaintiffs' requests and interrogatories concern the Cobalt/Ion ignition switch recall and other recalls subject to Phase One discovery, New GM's Deferred Prosecution Agreement with the Department of Justice and stipulated Statement of Facts, and New GM CEO Mary Barra's knowledge concerning the ignition switch defect. Copies of plaintiffs' 526 requests for production, 91 requests for admission, and dozens of interrogatories (including subparts) are attached hereto as Exhibits 1–3. New GM's responses and objections to this discovery are currently due on November 2, 2015. In light of the threat to MDL coordination efforts posed by plaintiffs' discovery and the *Shell* court's previous denial of New GM's motion for entry of the MDL 2543 Coordination Order ("Coordination Order"), the parties respectfully request that the Court utilize the tools at its disposal—including communication with the Honorable David Dowd—to promote and facilitate coordination in *Shell*.

Second, counsel for New GM and Lead Counsel continue to work to prevent conflicts with MDL discovery in *Mathes v. Gen. Motors LLC*, No. CL12001623-00 (Augusta County, Va.), which was a subject of the parties' September 25, 2015 joint letter to the Court (*see* Doc. No. 1406). Plaintiff has noticed a corporate representative deposition of New GM regarding in part a recall subject to Phase One discovery and has requested depositions of MDL deponents

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regarding ignition-switch-related topics. New GM intends shortly to move to quash plaintiff's request and for a protective order. New GM's motion for protective order is due by October 12, 2015. In light of the threat to MDL coordination efforts posed by plaintiff's requested discovery and the court's previous denial of New GM's motion for entry of the Coordination Order, the parties respectfully renew their request that the Court utilize the tools at its disposal—including communication with the Honorable Victor Ludwig—to promote and facilitate coordination in *Mathes*.

Third, briefing is complete on New GM's motion for entry of the Coordination Order in *Brochey, et al. v. Gen. Motors LLC, et al.*, No. 11813-15 (Erie County, Pa.), an individual economic loss action alleging an ignition key defect in a 2011 Chevrolet Camaro, which was a subject of the parties' August 27, 2015 joint letter to the Court (*see* Doc. No. 1292). Copies of plaintiffs' opposition and New GM's reply brief in support of the motion are attached hereto as Exhibits 4–5, respectively. The Honorable John Garhart will hear argument on New GM's motion on Monday, October 19, 2015. In light of the threat to MDL coordination efforts posed by plaintiffs' efforts to compel arbitration as early as November 2015, the parties respectfully request that the Court utilize the tools at its disposal—including communication with Judge Garhart—to promote and facilitate coordination in *Brochey*.

Fourth, on September 21, 2015, plaintiff filed a proposed case management order setting a deadline for filing a motion to withdraw from MDL coordination in *Cimaglia v. Royal Pontiac Buick GMC Inc., et al.*, No. MER-L-2890-10 (Mercer County, N.J.), a personal injury action alleging power steering defects in a 2005 Pontiac G6. A copy of the proposed order is attached hereto as Exhibit 6. Plaintiff's concerns regarding MDL coordination have not been stated on the record to date. Counsel for New GM and Lead Counsel have reached out to plaintiff's concerns regarding MDL coordination. Plaintiff's motion to withdraw from coordination is due October 23, 2015. The parties will apprise the Court of further developments regarding coordination in *Cimaglia*.

Fifth, on September 30, 2015, a scheduling order was entered in *Jarvis, et al. v. Gen. Motors LLC, et al.*, No. 15-003241-NP (Macomb County, Mich.), a personal injury action alleging an ignition switch defect in a 2006 Saturn Ion. A copy of the scheduling order is attached hereto as Exhibit 7.

Sixth, on October 5, the parties filed a joint stipulation to adopt the Coordination Order in *Helms v. Gen. Motors LLC, et al.*, No. 2014841 (Stanislaus County, Cal.), a personal injury action alleging unspecified defects in a 2008 Chevrolet HHR. A copy of the stipulation is attached hereto as Exhibit 8.

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Seventh, on October 6 and 7, 2015, with briefing having been completed, New GM's motions for entry of the Coordination Order were submitted for ruling in *Colarossi v. Gen. Motors LLC, et al.*, No. 14-22445 (Suffolk County, N.Y.), and *Petrocelli v. Gen. Motors LLC, et al.*, No. 14-17405 (Suffolk County, N.Y.), respectively, which were subjects of the parties' July 17, 2015 joint letter to the Court (*see* Doc. No. 1194). Copies of the reply briefs New GM filed in *Colarossi* and *Petrocelli* are attached hereto as Exhibits 9–10, respectively.

Eighth, on October 7, 2015, New GM filed a response to plaintiff's motion to compel in *Davidson v. Gen. Motors LLC, et al.*, No. CT-003414-14 (Shelby County, Tenn.), which was a subject of the parties' September 25, 2015 joint letter to the Court (see Doc. No. 1406). A copy of New GM's response is attached hereto as Exhibit 11. The Honorable Felicia Corbin Johnson will hear argument on the motion tomorrow, **Friday, October 9, 2015**.

Ninth, tomorrow argument will be heard on the plaintiff steering committee's motion to allocate attorney fees in the Texas MDL, No. 2014-51871 (Harris County, Tex.). A copy of the steering committee's motion is attached hereto as Exhibit 12. Additionally, on October 2, 2015, the parties filed an agreed proposed order extending the deadline for selection of potential bellwether cases until October 15, 2015. A copy of the proposed order is attached hereto as Exhibit 13.

Tenth, the following filings were made and orders entered with respect to the Bankruptcy Court proceedings since the parties' September 25, 2015 joint letter to the Court (*see* Doc. No. 1406):

- <u>September 25, 2015</u>: New GM filed letter briefs identifying claims barred by the Sale Order contained in the Second Amended Consolidated Complaint and in the State Complaints. New GM also filed a letter with the Bankruptcy Court advising it of proceedings in this Court and the Second Circuit related to the bankruptcy proceedings.
- <u>September 28, 2015</u>: Bellwether plaintiffs filed a letter responding to New GM's September 21, 2015 letter brief identifying claims and allegations barred by the Sale Order in the Bellwether Complaints. New GM filed a letter with the Bankruptcy Court advising it of proceedings in this Court related to the bankruptcy proceedings.
- <u>September 29, 2015</u>: The *Bledsoe*, *Elliott*, and *Sesay* plaintiffs and plaintiff in *Rickard*, an unrelated action, filed letters concerning New GM's September 23, 2015 letter brief identifying claims barred by the Sale Order contained in complaints not separately addressed in letter briefs concerning the Bellwether Complaints, State Complaints, and Second Amended Consolidated Complaint.

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- <u>September 30, 2015</u>: New GM and Plaintiffs filed their Reply Briefs concerning the Imputation Issue. Also, New GM filed a letter with the Bankruptcy Court advising it of the status of the Second Circuit appeal of the Bankruptcy Court's Decision and Judgment, and attached thereto was a copy of the *Ignition Switch Plaintiffs' And Ignition Switch Pre-Closing Accident Plaintiffs' Unopposed Motion To Expedite These Appeal Proceedings*, which was filed with the Second Circuit on September 29, 2015.
- <u>October 5, 2015</u>: New GM filed a letter with the Bankruptcy Court advising it of proceedings in this Court and the Second Circuit related to the bankruptcy proceedings.
- <u>October 6, 2015</u>: New GM filed a Statement of Issues and Designation of Items for the Record concerning its appeal of the Bankruptcy Court's July 29, 2015 Order regarding the *Pillars* plaintiff's No Dismissal Pleading and September 9, 2015 Decision and Order denying New GM's motion for reconsideration of same.

Copies of the foregoing documents are attached hereto as Exhibits 14–25, respectively.

Eleventh, pursuant to Order No. 1 § X.8, the Defendants' July 21, 2014 Status Letter (Doc. No. 73) included an Exhibit A listing cases consolidated to date in MDL 2543, as well as an Exhibit B listing related cases pending in state and federal court, together with their current status. For the Court's convenience, updated versions of Exhibits A and B are attached hereto as Exhibit 26.

Finally, the parties continue to work to ensure that the Court is provided with current and correct contact information for presiding judges in actions listed in the aforementioned Exhibit B. To that end, the Federal/State Liaison Counsel will submit shortly to the Court updates to the e-mail addresses of the presiding judges in Related Actions.

Respectfully submitted,

/s/ Richard C. Godfrey, P.C. /s/ Andrew B. Bloomer, P.C.

Counsel for Defendant General Motors LLC

cc: The Honorable Robert E. Gerber MDL Counsel of Record