

**IN THE STATE COURT OF COBB COUNTY
STATE OF GEORGIA**

**KENNETH DAVID MELTON and)
MARY ELIZABETH MELTON,)
Individually, and as Administrators)
of the Estate of JENNIFER)
BROOKE MELTON, deceased,)**

Plaintiffs,)

**CIVIL ACTION
FILE NO. _____**

**GENERAL MOTORS LLC, and)
THORNTON CHEVROLET, INC.,)**

Defendants.)

COMPLAINT

Plaintiffs Kenneth D. Melton and Mary E. Melton (the “Meltons”) bring this action individually, and as Administrators of the Estate of Jennifer Brooke Melton, (“Brooke”), against Defendants General Motors, LLC (“GM”) and Thornton Chevrolet, Inc. (“Thornton”):

I. Summary of Claims

1. This is an action for wrongful death, strict product liability, negligence, fraudulent concealment, and also for violations of federal and Georgia Racketeer Influenced and Corrupt Organizations (“RICO”) acts. The Meltons bring the action individually and as Administrator of the Estate of Jennifer Brooke

Melton, who was severely injured in the single vehicle crash of a 2005 Chevrolet Cobalt on March 10, 2011, and who died shortly thereafter.

2. GM is one of the largest car and truck manufacturers in the United States. It designed and manufactured the 2005 Chevrolet Cobalt that is at issue in this case, along with over a million other similar cars. All of these cars contained the same safety-related defects.

3. More than nine years before Brooke's injury and death, GM knew about the safety-related defects in the Chevrolet Cobalt, and did nothing to recall or fully remedy the defects or warn users about them. Rather, GM intentionally, purposely, fraudulently, and systematically concealed the defects from the Meltons and Brooke, the National Highway Traffic Safety Administration ("NHTSA"), and the driving public.

4. GM's misconduct subjects it to liability under Georgia law, as well as to liability under the federal Racketeer Influenced and Corrupt Organizations Act, 18 U.S.C. § 1961 *et seq.* ("federal RICO") and Georgia's Racketeer Influenced and Corrupt Organizations Act, O.C.G. A. § 16-14-1 *et seq.* ("Georgia RICO"), as more fully set out below.

5. GM's misconduct, fraudulent concealment, and systematic concealment of the safety-related defects, as well as its RICO violations, toll the statute of limitations that might otherwise be applicable to this action.

6. Thornton, the Chevrolet car dealership that serviced Brooke's car right before her death, knew of the problems that Brooke was having with her Chevrolet Cobalt. It undertook to repair her car, repaired the wrong parts, overlooked a critical GM Technical Safety Bulletin, performed unnecessary and ineffective repairs, failed to test drive it, and without repairing her car returned it to Brooke as "repaired."

II. Parties, Jurisdiction, and Venue

7. The Meltons are citizens of Georgia and reside in Cobb County, Georgia. They are the lawfully appointed Administrator of the Estate of Jennifer Brooke Melton.

8. GM is a Delaware limited liability company doing business in all fifty states with its principal place of business in Detroit, Michigan. GM does business in this district and division and maintains is registered agent here as well. GM is the successor corporation to General Motors Corporation, which underwent bankruptcy in 2009. Through that bankruptcy and asset sale from GMC to GM, GM assumed the liabilities of GM as set out herein. GM may be served via its registered agent CSC of Cobb County, 192 Anderson Street, S.E., Suite 125, Marietta, GA 30060.

9. GM is subject to the jurisdiction of and venue in this Court.

10. Defendant Thornton is a corporation organized and existing under the laws of the State of Georgia, having as its principal place of business, 1971 Thornton Road, Lithia Springs, Douglas County, Georgia 30122-2633. Thornton's registered agent for service of process is John W. Thornton, 1971 Thornton Road, Lithia Springs, Georgia, 30122.

11. Defendant Thornton is subject to the jurisdiction of and venue in this Court.

III. Facts

The Purchase of the 2005 Chevrolet Cobalt

12. On August 31, 2005, Brooke Melton purchased the 2005 Chevrolet Cobalt from Bill Heard Chevrolet in Cobb County, Georgia.

The Wreck and Brooke's Injury and Death

13. On March 10, 2010, Brooke was driving her 2005 Chevrolet Cobalt north on Georgia Highway 9. She was wearing her lap/shoulder belt.

14. Because of the nature of the crash, the known safety-related defects in the 2005 Chevrolet Cobalt caused the key in Brooke's car to turn from the run to accessory/off position as she was driving on Highway 9. Once the key turned, the engine shut off. The safety-related defects in the Cobalt caused the airbags in Brooke's car not to deploy, shut off her power steering, and greatly reduced her braking power and function. As a result of the engine shutting off,

Brooke lost control of the Chevrolet Cobalt, crossed the center lane, and was struck by a car driven by Shannon Jones.

15. Only 29 years old at the time, Brooke suffered a catastrophic brain injury and died the evening of the crash.

GM's Knowledge of Safety-Related Defects In The Chevrolet Cobalt and Its Concealment of Them

16. The 2005 Chevrolet Cobalt has safety-related design defects. First, a low torque detent in the ignition switch allows the key to be inadvertently turned from the run to accessory/off position. Second, because of the low position of the key lock module on the steering column, a driver can inadvertently bump the key fob or chain which results in the key turning from run to the accessory/off position. Third, the key sold with the Cobalt 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/off position during ordinary driving maneuvers. The design of the ignition switch, position of the key lock module, and slot design of the key are hereinafter referred to as the "Key System."

17. In 2001, during developmental testing of the 2003 Saturn Ion, GM learned that the engines in those cars were stalling due to defects in the Key System. GM chose not to fix these defects.

18. In 2002, GM began manufacturing and selling 2003 Saturn Ions with the defective Key System. It later began selling Chevrolet Cobalts with the same defective Key System.

19. In 2004, GM engineers reported that the ignition switch on the Saturn Ion was so weak and so low on the steering column that the driver's knee could easily bump the key and turn off the car.

20. This defect was sufficiently serious for a GM engineer, in January 2004, as part of GM's vehicle evaluation program, to affirmatively conclude, in writing, that "[t]his is a basic design flaw and should be corrected if we want repeat sales."

21. In 2004, GM began manufacturing and selling the 2005 Chevrolet Cobalt. The Cobalt was a sister vehicle (essentially the same car with a different badge or name) of the Saturn Ion. As noted, GM installed the same Key System on the 2005 Cobalt as it did on the Saturn Ion.

22. On October 29, 2004, around the time of GM's market launch of the 2005 Cobalt, Gary Altman – GM's program-engineering manager for the Cobalt – test drove the Cobalt with the standard key and key fob. During the test drive, when Altman's knee bumped the key, the engine turned off, causing the engine to stall. Altman reported this incident to GM.

23. In response to Altman's report, GM launched an engineering inquiry to investigate the potential for the key to move from the "run" to the "accessory/off" position during ordinary driving conditions. This inquiry is known within GM as a Problem Resolution Tracking System Inquiry ("PRTS"). The specific complaint which resulted in the PRTS was that the "the vehicle can be keyed off with knee while driving."

24. On February 1, 2005, as part of the PRTS, GM engineers concluded:

There are two main reasons that [sic] we believe can cause a lower effort in turning the key: 1. A low torque detent in the ignition switch. 2. A low position of the lock module in the column. (PRTS – Complete Report N172404).

25. As part of the PRTS, GM engineers also began looking into ways to solve the problem of the key moving from the "run" to the "accessory/off" position during ordinary driving.

26. On February 18, 2005, GM engineers presented several possible solutions to the Cockpit Program Integration Team ("CPIT"). GM engineers determined the only "sure solution" to fixing the problem of the key inadvertently moving from the "run" to the "accessory/off" position required changing from a low mount to a high mount lock module, which would considerably reduce the possibility of the key/key fob being impacted by a driver.

27. According to GM engineers, this change in the key position on the lock module, **combined with** increasing the detent in the ignition switch, would be a “sure solution.” GM, however, through Altman, rejected this “sure solution,” in part, because the cost to implement the solution would be too high.

28. During this PRTS, GM also considered changing the key from a slot to a hole as a way to attempt to contain this problem, but not as a solution to the problem.

29. Changing the key from a slot to a hole would reduce the lever arm of the key and the key chain. With the slot design, the key chain would hang lower on the key which would increase the torque force on the ignition switch when the chain was contacted or moved in any way. GM engineers determined this key change would significantly reduce the chance of the key inadvertently moving from the “run” to the “accessory/off” position during ordinary driving maneuvers.

30. A GM engineer conducted a cost analysis of this key change and determined that the cost to make this change would be less than one dollar per vehicle or around 0.57 cents per part.

31. GM, however, rejected this proposed key change and, on March 9, 2005, GM closed the PRTS without taking any steps to fix the defective Key System in Ions and Cobalts. The PRTS detailed the reasons why GM took no action.

Per GMX001 PEM's [Gary Altman] directive we are closing this PRTS with no action. The main reasons are as following: All possible solutions were presented to CPIT and VAPIR: a. The lead-time for all the solutions is too long. b. The tooling cost and piece price are too high. c. None of the solutions seem to fully countermeasure the possibility of the key being turned (ignition turn off) during driving. Thus **none of the solutions represents an acceptable business case.** (emphasis added)

32. On February 28, 2005, GM issued a bulletin to its dealers regarding engine-stalling incidents in 2005 Cobalts and 2005 Pontiac Pursuits (the Canadian version of the Pontiac G5).

33. The February 28, 2005, bulletin addressed the potential for drivers of these vehicles to inadvertently turn off the ignition due to low key ignition cylinder torque/effort.

34. In the February 28, 2005, bulletin, GM provided the following recommendations/instructions to its dealers – **but not to Plaintiffs or the public in general:**

There is potential for the driver to inadvertently turn off the ignition due to low key ignition cylinder torque/effort. The concern is more likely to occur if the driver is short and has a large heavy key chain.

In the cases this condition was documented, the driver's knee would contact the key chain while the vehicle was turning. The steering column was adjusted all the way down. This is more likely to happen to a

person that is short as they will have the seat positioned closer to the steering column.

In cases that fit this profile, question the customer thoroughly to determine if this may be the cause. The customer should be advised of this potential and to take steps, such as removing unessential items from their key chains, to prevent it.

Please follow this diagnosis process thoroughly and complete each step. If the condition exhibited is resolved without completing every step, the remaining steps do not need to be performed.

35. At that time, however, GM knew that the inadvertent turning off of the ignition in the vehicles was due to design defects in the Key System in those vehicles, including the Chevrolet Cobalt, and **was not** limited to short drivers using large heavy key chains.

36. GM failed to disclose and, in fact, concealed, the February 28, 2005 bulletin – and/or the information contained therein, from Chevrolet Cobalt owners, including Brooke and the Meltons, and sent affirmative representations to dealers that did not accurately describe the nature of the problem, the multiple design steps needed for a “sure solution” to the problem, and GM’s knowledge of it.

37. Indeed, rather than disclosing this serious safety problem that uniformly affected all Chevrolet Cobalt cars, GM, instead, concealed and obscured the problems, electing to wait until customers brought their cars to a dealership

after an engine-stalling incident, and offered even its own dealers only an incomplete, incorrect, and insufficient description of the defects and the manner in which to actually remedy them.

38. As of February 2005, GM engineers knew that the Saturn Ion and Chevrolet Cobalt vehicles had the Key System safety-related defects discussed in this Complaint.

39. Pursuant to 49 C.F.R. § 573.6, which requires an automobile manufacturer to “furnish a report to the NHTSA for each defect...related to motor vehicle safety,” GM had a duty, no later than February 2005 to disclose the safety-related defects in the Saturn Ion and Chevrolet Cobalt vehicles.

40. Instead of complying with its legal obligations, however, GM fraudulently concealed the Key System defect from the public – including the Van Pelts – and continued to manufacture and sell Ions and Cobalts with these known safety defects, causing the Van Pelts to continue to own a vehicle that contained a defective and dangerous Key System.

41. In March 2005, following its receipt of a customer complaint that his/her Cobalt vehicle ignition turned off while driving, GM opened another PRTS – Complete Report (0793/2005-US). Steve Oakley, the brand quality manager for the Cobalt, originated the PRTS. As part of the PRTS, Mr. Oakley reviewed an

email dated March 9, 2005 from Jack Weber, a GM engineer. The subject of the email was "Cobalt SS Ignition Turn Off." In the email Mr. Weber stated:

I've had a chance to drive a Cobalt SS and attempt to turn off the ignition during heel/toe down shifting. Much to my surprise, the first time I turned off the ignition switch was during a normal traffic brake application on I-96. After that I was able to do a static reproduction of the condition in a parking lot. I've attached photos of the condition with comments. My Anthropometric Measurements are attached below:

Static view of keys, fob and registration hitting knee.

Position of RKE fob during normal driving. Dynamic evaluation.

View of steering column cover and Pass Key 3+"lump" under the key slot.

Key in run position, knee contacting the fob and the split ring is pulling on the key to move it to the "off" position. Static evaluation.

Fob has levered around the steering column cover and turned the ignition off.

Unobstructed view of the fob and column cover.

Attached below is documentation of a RAMSIS study performed to attempt to duplicate the real world condition.

Please call at (586) 986-0622 with questions.

Jack Weber

Mr. Weber clearly identified the defects in the Key System while he was driving the Cobalt.

42. Despite the clear evidence of the safety-related defect with the Key System, during the March 2005 PRTS, GM engineers decided not to reconsider any of the proposed solutions discussed during the February 2005 PRTS. Instead, the GM engineers leading the PRTS recommended that sole corrective action GM should recommend would be to advise customers to remove excess material from their key rings, **even though GM knew that the inadvertent turning off of the ignition in these vehicles was due to design defects in the Key System in those vehicles, and was not limited to drivers having excess key ring materials.**

43. In May 2005, GM, following its receipt of another customer complaint that his/her Cobalt vehicle ignition turned off while driving, it opened another PRTS.

44. During the May 2005 PRTS, GM decided to redesign the key in order to reduce the possibility that a driver may inadvertently turn the key from the “run” to the “accessory/off” position during ordinary driving.

45. Despite this initial safety/redesign commitment, however, GM ultimately failed to follow through on its own decision and closed this PRTS without any action, further concealing what it knew from the public and continuing

to subject the public, including the Meltons, to the defective vehicles' serious safety risks.

46. At or about this same time, GM, through Alan Adler, GM's Manager, Product Safety Communications, issued the following statement on with respect to the Chevrolet Cobalt's inadvertent shut-off problems, affirmatively representing in its "Statement on Chevrolet Cobalt Inadvertent Shut-offs" that:

In rare cases when a combination of factors is present, a Chevrolet Cobalt driver can cut power to the engine by inadvertently bumping the ignition key to the accessory or off position while the car is running.

When this happens, the Cobalt is still controllable. The engine can be restarted after shifting to neutral.

GM has analyzed this condition and believes it may occur when a driver overloads a key ring, or when the driver's leg moves amid factors such as steering column position, seat height and placement. Depending on these factors, a driver can unintentionally turn the vehicle off.

Service advisers are telling customers they can virtually eliminate this possibility by taking several steps, including removing non-essential material from their key rings.

Ignition systems are designed to have "on" and "off" positions, and practically any vehicle can have power to a running engine cut off by inadvertently bumping the ignition from the run to accessory or off position.

GM's statement, however, was demonstrably false and misleading.

47. Contrary to GM's above-referenced statement, GM's internal testing documents showed that these incidents occurred when drivers were using keys with the standard key fob. GM knew that these incidents were not caused by heavy key chains or a driver's size and seating position. GM knew that removing the non-essential material from key rings would not "virtually eliminate" the possibility of inadvertent bumping of the ignition key from the "run" to the "accessory/off" position while the car is running.

48. GM's above-referenced statement was further demonstrably false and misleading because GM knew that these incidents were ultimately caused by the safety-related defects in the Key System identified in the February 2005 PRTS.

49. But GM's affirmative concealment of the problems with the defective vehicles, including the Chevrolet Cobalt cars, did not end there.

50. On July 29, 2005, Amber Marie Rose, a sixteen year old Clinton, Maryland resident, was driving a 2005 Cobalt when she drove off the road and struck a tree head-on. Amber's driver's side frontal airbag did not deploy and she died as a result of the injuries she sustained in the crash.

51. GM received notice of Amber's incident in September 2005 and opened an internal investigation file pertaining to this incident shortly thereafter.

52. During its investigation of the incident, GM learned that the key in Amber's Cobalt was in the "accessory/off" position at the time of the crash.

53. During its investigation of the incident in which Amber was killed in her Cobalt vehicle, GM also knew that the driver's side frontal-airbag should have deployed given the circumstances of the crash. Upon information and belief, GM subsequently entered into a confidential settlement agreement with Amber's mother.

54. In December 2005, shortly after it commenced its internal investigation into the incident leading to Amber's death, GM issued a Technical Service Bulletin (05-02-35-007) (the "TSB").

55. The TSB, which GM affirmatively represented applied to 2005–2006 Chevrolet Cobalts, 2006 Chevrolet HHRs, 2005–2006 Pontiac Pursuit, 2006 Pontiac Solstices, and 2003–2006 Saturn Ions, provided, "Information on inadvertent Turning of Key Cylinder, Loss of Electrical System and no DTCs," provided the following service information:

There is potential for the driver to inadvertently turn off the ignition due to low ignition key cylinder torque/effort.

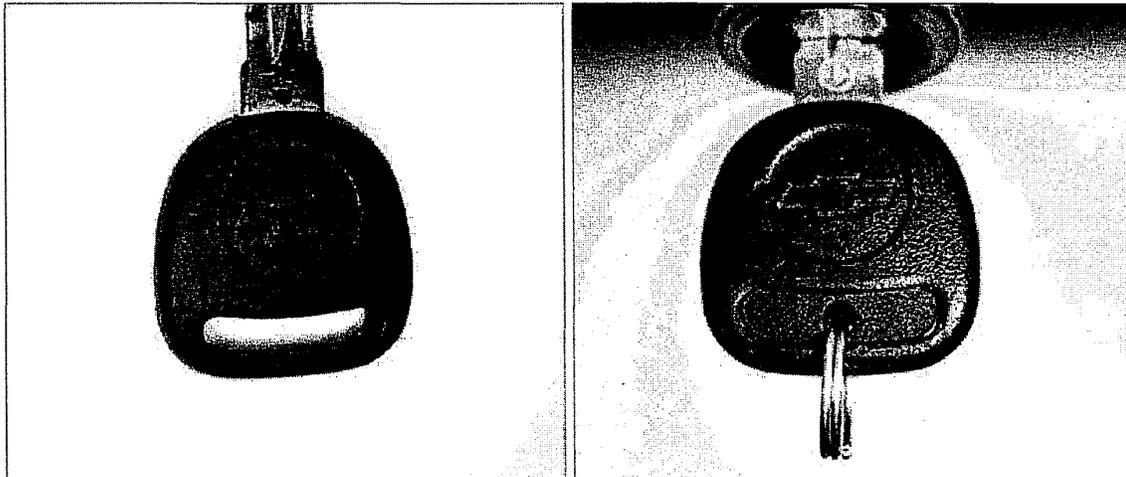
The concern is more likely to occur if the driver is short and has a large and/or heavy key chain. In these cases, this condition was documents and the driver's knee would contact the key chain while the vehicle was turning and the steering column was adjusted all the way down. This is more likely to happen to a person who is short, as they have the seat positioned closer to the steering column.

In cases that fit this profile, question the customer thoroughly to determine if this may be the cause. The customer should be advised of this potential and should take steps to prevent it - such as removing unessential items from their key chain.

Engineering has come up with an insert for the key ring so that it goes from a "slot" design to a hole design. As a result, the key ring cannot move up and down in the slot any longer - it can only rotate on the hole. In addition, the previous key ring has been replaced with a smaller, 13 mm (0.5 in) design. This will result in the keys not hanging as low as in the past.

56. An image of the insert changing the "slot" design to a "hole" design appears as follows:

design appears as follows:



57. As with its prior statement regarding the defective vehicles (see above), the information GM provided in this TSB was also false and misleading.

58. In the two PRTSs GM issued before it issued the TSB, GM engineers never represented that short drivers or heavy key chains were the reasons why these incidents were happening.

59. Indeed, at the time it issued the TSB, GM knew that these incidents were happening to drivers of all sizes using keys with the standard key fobs.

60. In other words, GM knew these incidents were not caused by short drivers with heavy key chains, but because of the safety-related defects in the Key System of its defective vehicles, including the Chevrolet Cobalt cars.

61. In 2005, GM began buying back Cobalts from certain customers who were experiencing engine stalling incidents. GM never told the public, including the Meltons, that it was buying back Cobalts under these circumstances. GM refused to buy back Cobalts from other customers who had also experienced engine stalling incidents. In fact, for many of the customers who complained about experiencing engine-stalling incidents, GM never informed these customers of the TSB and/or the availability of the key insert.

62. On November 17, 2005, shortly after Amber's death and immediately before GM's issuance of the TSB, there was **another** incident involving a 2005 Cobalt in Baldwin, Louisiana. In that incident, the Cobalt went off the road and hit a tree. The frontal airbags did not deploy in this accident. GM

received notice of this accident, opened a file, and referred to it as the “Colbert” incident.

63. On February 10, 2006, in Lanexa, Virginia, shortly after GM issued the TSB, a 2005 Cobalt drove off of the road and hit a light pole. As with the Colbert incident (above), the frontal airbags failed to deploy in this incident as well. The download of the SDM (the vehicle’s “black box”) showed the key was in the “accessory/off” position at the time of the crash. GM received notice of this accident, opened a file, and referred to it as the “Carroll” incident.

64. On March 14, 2006, in Frederick, Maryland, a 2005 Cobalt traveled off the road and struck a utility pole. The frontal airbags did not deploy in this incident. The download of the SDM showed the key was in the “accessory/off” position at the time of the crash. GM received notice of this incident, opened a file, and referred to it as the “Oakley” incident.

65. In its February 24, 2014, letter to NHTSA regarding Recall No. 13454, GM, **for the first time**, acknowledged that changes were made to the ignition switches in the Defective Vehicles during the 2007 model year.

66. Specifically, in its letter of February 24, 2014, GM represented that “[o]n April 26, 2006, the GM design engineer responsible for the Cobalt’s ignition switch signed a document approving changes to the ignition switch proposed by the supplier, Delphi Mechatronics. The approved changes included,

among other things, the use of a new detent plunger and spring that increased torque force in the ignition switch.” Ray DeGiorgio was the GM design engineer identified by GM in the letter. In fact, Mr. DeGiorgio signed a “General Motors Commodity Validation Sign-Off” confirming that he approved the ignition switch with the new detent plunger to increase torque force. At no time before February 24, 2014 did GM disclose this fact.

67. On August 1, 2006, following its receipt of a customer complaint about a Cobalt stalling while driving, GM opened yet another PRTS relating to this issue. GM closed this PRTS on October 2, 2006 however, without taking any action.

68. In October 2006, GM updated the TSB (05-02-35-007) to include additional model years: the 2007 Saturn Ion and Sky, 2007 Chevrolet HHR, 2007 Cobalt and 2007 Pontiac Solstice and G5. These vehicles had the same safety-related defects in the Key System as the vehicles in the original TSB. All of the vehicles identified in the original TSB are hereinafter referred to as the “Defective Vehicles.”

69. On December 29, 2006, in Sellenville, Pennsylvania, a 2005 Cobalt drove off the road and hit a tree. The frontal airbags failed to deploy in this incident. GM received notice of this incident, opened a file, and referred to it as the “Frei” incident.

70. On February 6, 2007, in Shaker Township, Pennsylvania, a 2006 Cobalt sailed off the road and struck a truck. Despite there being a frontal impact in this incident, the frontal airbags failed to deploy. The download of the SDM showed the key was in the “accessory/off” position. GM received notice of this incident, opened a file, and referred to it as the “White” incident.

71. On August 6, 2007, in Cross Lanes, West Virginia, a 2006 Cobalt rear-ended a truck. The frontal airbags failed to deploy. GM received notice of this incident, opened a file, and referred to it as the “McCormick” incident.

72. On September 25, 2007, in New Orleans, Louisiana, a 2007 Chevrolet Cobalt lost control and struck a guardrail. Despite there being a frontal impact in this incident, the frontal airbags failed to deploy. GM received notice of this incident, opened a file, and referred to it as the “Gathe” incident.

73. On October 16, 2007, in Lyndhurst, Ohio, a 2005 Chevrolet Cobalt traveled off road and hit a tree. The frontal airbags failed to deploy. GM received notice of this incident, opened a file, and referred to it as the “Breen” incident.

74. On April 5, 2008, in Sommerville, Tennessee, a 2006 Chevrolet Cobalt traveled off the road and struck a tree. Despite there being a frontal impact in this incident, the frontal airbags failed to deploy. The download of the SDM

showed the key was in the “accessory/off” position. GM received notice of this incident, opened a file, and referred to it as the “Freeman” incident.

75. On May 21, 2008, in Argyle, Wisconsin, a 2007 Pontiac G5 traveled off the road and struck a tree. Despite there being a frontal impact in this incident, the frontal airbags failed to deploy. The download of the SDM showed the key was in the “accessory/off” position. GM received notice of this incident, opened a file, and referred to it as the “Wild” incident.

76. On May 28, 2008, in Lufkin, Texas, a 2007 Chevrolet Cobalt traveled off the road and struck a tree. Despite there being a frontal impact in this incident, the frontal airbags failed to deploy. GM received notice of this incident, opened a file, and referred to it as the “McDonald” incident.

77. On September 13, 2008, in Lincoln Township, Michigan, a 2006 Chevrolet Cobalt traveled off the road and struck a tree. Despite there being a frontal impact in this incident, the frontal airbags failed to deploy. GM received notice of this incident, opened a file, and referred to it as the “Harding” incident.

78. On November 29, 2008, in Rolling Hills Estates, California, a 2008 Chevrolet Cobalt traveled off the road and hit a tree. Despite there being a frontal impact in this incident, the frontal airbags failed to deploy. GM received notice of this incident, opened a file, and referred to it as the “Dunn” incident.

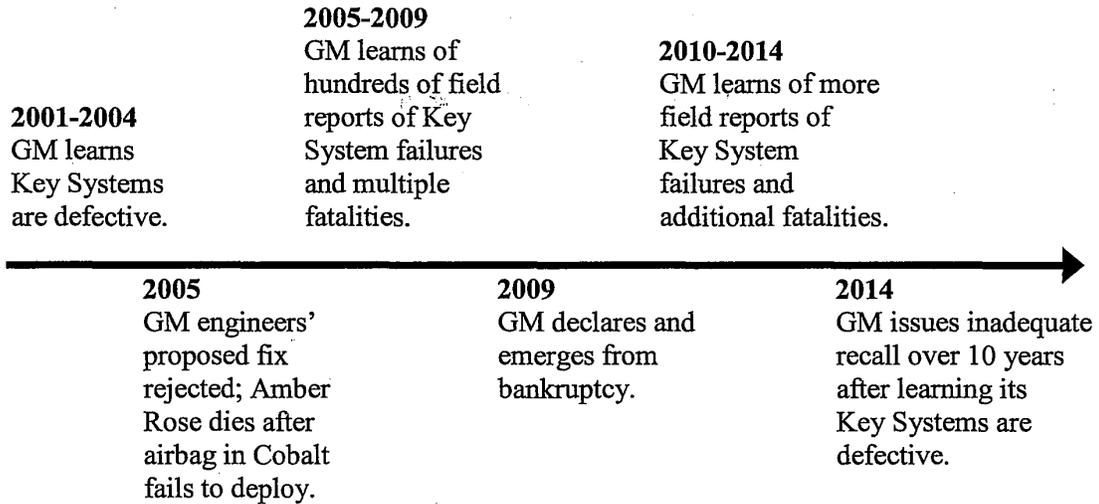
79. On December 6, 2008, in Lake Placid, Florida, a 2007 Chevrolet Cobalt traveled off the road and hit a utility pole. Despite there being a frontal impact in this incident, the frontal airbags failed to deploy. The download of the SDM showed the key was in the “accessory/off” position. GM received notice of this incident, opened a file, and referred to it as the “Grondona” incident.

80. In February 2009, GM opened yet another PRTS with respect to the Defective Vehicles – this time to investigate why the slot in the key in Cobalts allowed the key chain to hang too low in the vehicles, as well as the inadvertent shutting off of the vehicles.

81. Through this PRTS, GM determined that changing the key from a slot to a hole would significantly reduce the likelihood of inadvertent turning off the ignition switch.

82. In March 2009, GM approved of the design change in the key from the slot to a hole. According to GM, this redesigned change was implemented in model year 2010 Chevrolet Cobalts. GM, however, chose not to provide these redesigned keys the owners or lessees of any of the vehicles implicated in the TSB, including the 2003 Ion.

83. This timeline gives a short overview of some key points between 2004 and the present, as discussed above:



92. Throughout this entire time period, GM was selling the Defective Vehicles to consumers for full price, and consumers were purchasing them believing that the vehicles were non-defective, but all the while GM concealing the extent and nature of the defects in the Defective Vehicles.

Old GM's Marketing Represented to the Public that the Defective Vehicles Were Safe

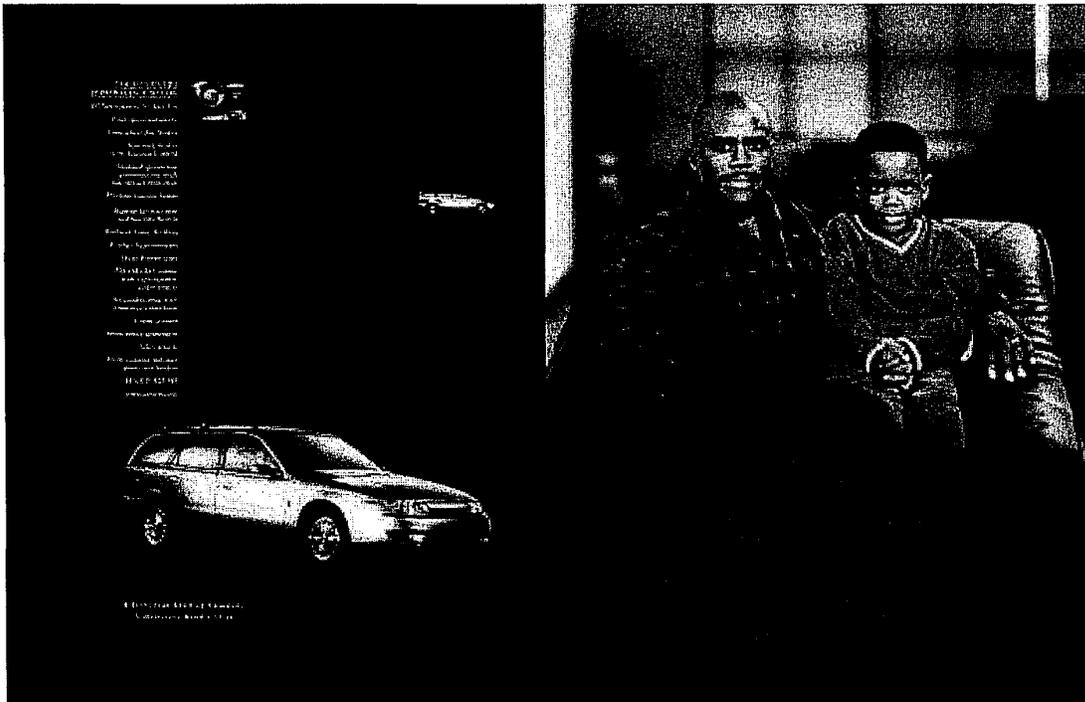
84. In a section called "safety," Old GM's Chevrolet website stated:

OUR COMMITMENT

Your family's safety is important to us. Whether it's a short errand around town or a cross-country road trip, Chevrolet is committed to keeping you and your family safe — from the start of your journey to your destination. That's why every Chevrolet is designed with a comprehensive list of safety and security features to help give you peace of mind. Choose from the safety features below to learn more about how they work, and which Chevy vehicles offer them.

85. Similarly, old GM promoted its Saturn vehicle line on television with statements like “Putting people first,” and “Saturn. People First.”

86. Saturn’s print ad campaign featured advertisements like the following, which stated, among other things, “Need is where you begin. In cars, it’s about things like reliability, durability and, of course, safety. That’s where we started when developing our new line of cars”:



87. In sum, in order to increase sales, old GM touted the safety of its vehicles.

88. But, when the time came for the company to stay true to its words, GM did not disclose its knowledge about the dangerous Key System defects to its customers.

Meet the New GM, Same as the Old GM

89. In 2009, GM declared bankruptcy, and, weeks later, it emerged from bankruptcy. Both before and after GM's bankruptcy, the Key Systems in the Defective Vehicles continued to fail and GM, in all iterations, continued to conceal the truth.

90. On May 15, 2009, GM again met with Continental and requested that Continental download SDM data from a 2006 Chevrolet Cobalt accident where the airbags failed to deploy.

91. On March 22, 2011, Ryan Jahr, a GM engineer, downloaded the SDM from Brooke's Cobalt. The information from the SDM download showed that the key in Brooke's Cobalt turned from the "run" to the "accessory/off" position 3-4 seconds before the crash.

92. On December 31, 2010, in Rutherford County Tennessee, a 2006 Chevrolet Cobalt traveled off the road and struck a tree. Despite there being a frontal impact in this incident, the frontal airbags failed to deploy. The download of the SDM showed the key was in the "accessory/off" position. GM received

notice of this incident, opened a file, and referred to it as the “Chansuthus” incident.

93. On December 31, 2010, in Harlingen, Texas, a 2006 Chevrolet Cobalt traveled off the road and struck a curb. Despite there being a frontal impact in this incident, the frontal airbags failed to deploy. GM received notice of this incident, opened a file, and referred to it as the “Najera” incident.

94. On December 18, 2011, in Parksville, South Carolina, a 2007 Chevrolet Cobalt traveled off the road and struck a tree. Despite there being a frontal impact in this incident, the frontal airbags failed to deploy. The download of the SDM showed the key was in the “accessory/off” position. GM received notice of this incident, opened a file, and referred to it as the “Sullivan” incident.

95. These incidents are not limited to vehicles of model year 2007 and before. According to GM’s own investigation, there have been over 250 crashes involving 2008-2010 Chevrolet Cobalts in which the airbags failed to deploy.

GM Investigates Further, but Continues to Conceal the Defect

96. In 2010, GM began a formal investigation of the frontal airbag non-deployment incidents in Chevrolet Cobalts and Pontiac G5s. GM subsequently elevated the investigation to a Field Performance Evaluation (“FPE”).

97. In August 2011, GM assigned Engineering Group Manager, Brian Stouffer as the Field Performance Assessment Engineer (“FPAE”) to assist with the FPE investigation.

98. In Spring 2012, Stouffer asked Jim Federico, a high level executive and chief engineer at GM, to oversee the FPE investigation. Federico was the “executive champion” for the investigation to help coordinate resources for the FPE investigation.

99. In May 2012, GM engineers tested the torque on the ignition switches for 2005-2009 Cobalt, 2007, 2009 Pontiac G5, 2006-2009 HHR, and 2003-2007 Ion vehicles in a junkyard. The results of these tests showed that the torque required to turn the ignition switches in most of these vehicles from the “run” to the “accessory/off” position did not meet GM’s minimum torque specification requirements, including the 2008-2009 vehicles. These results were reported to Stouffer and other members of the FPE.

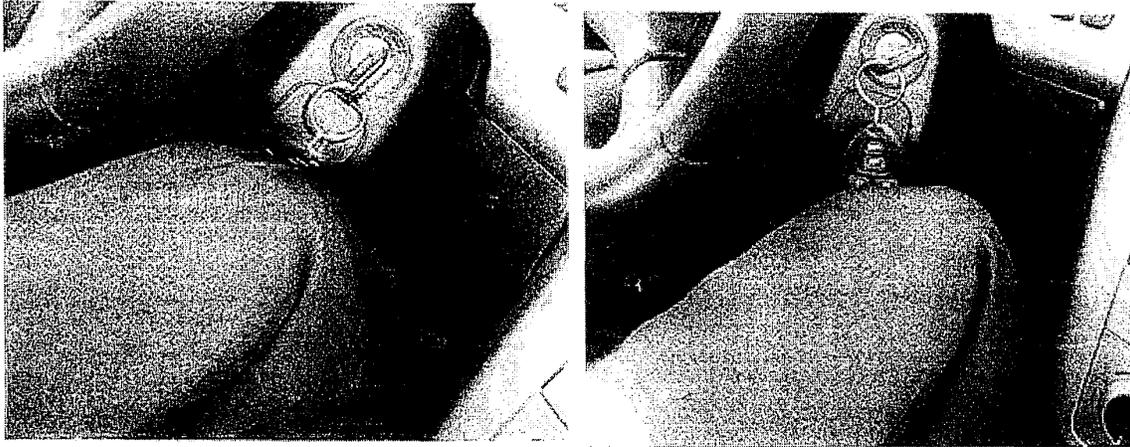
100. In September 2012, Stouffer requested assistance from a “Red X Team” as part of the FPE investigation. The Red X Team was a group of engineers within GM assigned to find the root cause of the airbag non-deployments in frontal accidents involving Chevrolet Cobalts and Pontiac G5s. By that time, however, it was clear that the root cause of the airbag non-deployments in a

majority of the frontal accidents was the defective Key System. The Red X Team became involved in the investigation shortly after Mr. Stouffer's request.

101. During the field-performance-evaluation process, GM determined that, although increasing the detent in the ignition switch would reduce the chance that the key would inadvertently move from the "run" to the "accessory/off" position, it would not be a total solution to the problem.

102. Indeed, the GM engineers identified several additional ways to actually fix the problem. These ideas included adding a shroud to prevent a driver's knee from contacting the key, modifying the key and lock cylinder to orient the key in an upward facing orientation when in the run position, and adding a push button to the lock cylinder to prevent it from slipping out of run. GM rejected each of these ideas.

103. The photographs below are of a GM engineer in the driver's seat of a Cobalt during the investigation of Cobalt engine stalling incidents.



104. These photographs show the dangerous condition of the position of the key in the lock module on the steering column, as well as the key with the slot, which allow the key fob to hang too low off of the steering column. GM engineers understood that the key fob may be impacted and pinched between the driver's knee and the steering column which causes the key to be inadvertently turned from the run to accessory/off position. The photographs show why the GM engineers understood that increasing the detent in the ignition switch would not be a total solution to the problem. It also shows why GM engineers believed that the additional changes to the Key System (such as the shroud) were necessary to fix the defects with the Key System.

105. The GM engineers clearly understood that increasing the detent in the ignition switch alone was not a solution to the problem but GM concealed – and continued to conceal – from the public, the nature and extent of the defects.

106. By 2012, Federico, Stouffer, and the remaining members of the Red X Team knew that the Key System in the Ion, the Cobalt, and the G5 vehicles had safety-related defects that would cause the key to move from the “run” to the “accessory/off” position while driving these vehicles. They also knew that when this happened the airbags would no longer work in frontal crashes.

107. Federico, Stouffer, and the other members of the Red X Team also understood that these safety-related defects had caused or contributed to numerous accidents and multiple fatalities. Despite this knowledge, GM chose to conceal this information from the public, NHTSA, and Plaintiffs.

108. Under 49 C.F.R. ¶ 573.6, GM had a duty in 2012 to disclose the safety-related defects in the Ion, Cobalt, and G5 vehicles. Rather than comply with their legal obligations, GM continued to fraudulently conceal these defects from the public and the U.S. government.

109. In December 2012, in Pensacola, Florida, Ebram Handy, a GM engineer, participated in an inspection of components from Brooke Melton’s Cobalt, including the ignition switch. At that inspection, Handy, along with Mark Hood, a mechanical engineer retained by the Meltons, conducted testing on the ignition switch from Brooke Melton’s vehicle, as well as a replacement ignition switch for the 2005 Cobalt.

110. At that inspection, Handy observed that the results of the testing showed that the torque performance on the ignition switch from Brooke Melton's Cobalt was well below GM's minimum torque performance specifications. Handy also observed that the torque performance on the replacement ignition switch was significantly higher than the torque performance on the ignition switch in Brooke Melton's Cobalt.

111. In January 2013, Handy, in preparation for a Rule 30(b)(6) deposition, spoke with several GM engineers, including DeGiorgio and Stouffer. At that time, Handy knew that, based on the testing he had observed, the original ignition switch in the 2005 Cobalt failed to meet GM's minimum torque performance specifications and that GM had redesigned the ignition switches that were being sold as replacement switches. GM knew that an ignition switch that did not meet its minimum torque performance requirements was a safety-related defect.

**GM Fraudulently Conceals
Evidence From The Meltons**

112. On February 13, 2013, this Court entered an order compelling GM to produce certain documents, including all documents relating to the design and testing of the ignition switch in the cars which were the subject of the initial TSB, including the 2007 Cobalt.

113. On February 28, 2013, GM produced what it said were all documents within its possession responsive to the Court's February 13, 2013 Order. GM did not produce any documents relating to the change in the ignition switch in the Cobalt, or any other Defective Vehicles, during the 2007 model year.

114. On April 29, 2013, the Meltons' counsel deposed Ray DeGiorgio, the chief design engineer for the ignition switches in the Defective Vehicles, in Detroit, Michigan. At his deposition, Mr. DeGiorgio was shown photographs of the differences between the ignition switch in Brooke's Cobalt and the ignition switch in the 2008 Cobalt or replacement ignition switch. After looking at the photographs of the different ignition switches, Mr. DeGiorgio testified as follows:

Q. The one on the right, Exhibit 13 is an '05 or an '06, and the one on the left, Exhibit 14, is either an '08 or replacement. Do you see the difference?

A. Yes.

Q. Have you noticed that before today, Mr. DeGiorgio?

A. No sir.

Q. Were you aware of this before today, Mr. DeGiorgio?

MR. HOLLADAY: Object to the form. You can answer.

THE WITNESS: No sir.

Q. It appears to be pretty clear that the plunger and the cap is taller on Exhibit 14 compared to Exhibit 13, isn't it?

A. That's correct.

Q. How is a taller cap going to affect the rotational resistance?

A. It's hard to determine from these pictures exactly if it is a taller cap or is it recessed inside the housing or not. It's hard for me to assess, really, what I'm looking at.

Q. You've taken apart a number of switches and you're telling the jury you've never noticed the difference in the plunger between the '05 and '06 versus the new resistor or switch?

MR. HOLLADAY: Object to the form.

THE WITNESS: I did not notice, no.

(DeGiorgio Deposition, pp. 149-150)

115. Mr. DeGiorgio was then further questioned about his knowledge of any differences in the ignition switches:

Q. And I'll ask the same question. You were not aware before today that GM had changed the spring – the spring on the ignition switch had been changed from '05 to the replacement switch?

MR. HOLLADAY: Object to the form. Lack of predicate and foundation. You can answer.

THE WITNESS: I was not aware of a detent plunger switch change. We certainly did not approve a detent plunger design change.

Q. Well, suppliers aren't supposed to make changes such as this without GM's approval, correct?

A. That is correct.

Q. And you are saying that no one at GM, as far as you know, was aware of this before today?

MR. HOLLADAY: Object. Lack of predicate and foundation. You can answer.

THE WITNESS: I am not aware about this change.

(DeGiorgio Deposition, pp. 151-152)

116. Mr. DeGiorgio's testimony left no doubt that he had absolutely no knowledge of any change in the ignition switch in 2005-2010 Cobalts.

117. Mr. DeGiorgio also provided the following testimony about the ignition switch supplier, Delphi:

Q. And there weren't any changes made – or were there changes made to the switch between '05 and 2010 that would have affected the torque values to move the key from the various positions in the cylinder?

A. There was one change made to the resistor in '08, but that should not have affected the torque or the displacement of the switch.

I can restate this way: There was an electrical change made in '08, but not a mechanical change – at least there were no official changes, mechanical changes, made to the switch that I know of.

Q. When you say no official, could there be unofficial changes made?

A. I'm not saying that there was, I'm just saying if there was something changed at the supplier side, we were not aware of it and we did not approve it, okay?

(DeGiorgio Deposition, pp. 57-58)

Q. Did you ask Mary Fitz or anyone from Delphi whether there, in fact, had been any changes made to the ignition switch?

A. Yes, yes I did. And they came back, said there's been no changes made to the switch since the introduction to production.

Q. Who told you that?

A. Mary Fitz.

Q. Where is she located?

A. She's located in, I want to say, Delphi headquarters here in Michigan.

(DeGiorgio Deposition, pp. 117-118)

118. Mr. DeGiorgio's testimony left no doubt that he had spoken with Delphi employees and that they confirmed there were no changes made to the ignition switch in 2005-2010 Cobalts.

119. Mr. DeGiorgio signed his errata sheet on May 23, 2013. In the signed errata sheet, Mr. DeGiorgio did not change any testimony referenced in this Complaint. Mr. DeGiorgio's errata sheet is attached as **Exhibit A**.

120. On May 13, 2013, the Meltons served their Fifth Request for Production of Documents on GM. In RPD No. 1, the Meltons requested:

All documents and materials relating to GM's investigation into the change in the cap and spring in the 2005 Cobalt ignition switch to the cap and spring in the 2008 Cobalt ignition switch, as well as the replacement ignition switches for the Cobalt.

121. On June 17, 2013, GM filed its Response to the Fifth Request for Production of Documents. In response to RPD No. 1, GM stated:

As design release engineer Ray Degiorgio testified, GM LLC did not request and was not asked to authorize or approve a change in the cap and spring in the ignition switch used in the 2008 Chevrolet Cobalt or in replacement ignition switches for the 2005-2007 Chevrolet Cobalt that would affect the torque required to move the key from the run to accessory position. GM LLC objects to this Request to the extent it seeks information protected from disclosure by the attorney-client privilege and/or the work product doctrine.

122. GM then approached the Meltons about mediating their case.

On August 21, 2013, the Meltons and GM attended the mediation at Bay Mediation.

123. Up to and including the date of the mediation, GM continued to state that no one at GM had authorized or approved any change to the ignition switch in 2005-2010 Cobalts and that, if a change was made, it was done by Delphi without any knowledge on the part of GM employees.

124. The Meltons relied on the testimony of Mr. DeGiorgio, as well as the representations of GM and its attorneys, that no one from GM knew about any changes in the design of the ignition switch in 2005-2010 Cobalts.

125. The Meltons subsequently settled their claims against GM on August 22, 2013.

126. On February 7, 2014, GM, in a letter from Carmen Benavides, Director – Product Investigations and Safety Regulations for GM, informed NHTSA that it was conducting Recall No. 13454 for certain 2005-2007 model year Chevrolet Cobalts and 2007 model year Pontiac G5 vehicles.

127. In its February 7, 2014, letter to NHTSA, GM represented that as replacement ignition switches became available, GM would replace the ignition switches on the Defective Vehicles.

128. On February 19, 2014, a request for timeliness query of General Motors' Safety Recall 13454 was sent to NHTSA. The timeliness query pointed out that GM had failed to recall all of the vehicles with the defective ignition switches.

129. The February 19, 2014, request for timeliness query also asked NHTSA to investigate GM's failure to fulfill its legal obligation to report the safety-related defects in the Defective Vehicles to NHTSA within five days of discovering the defect.

130. On February 24, 2014, GM sent a letter to Ms. Benavides and informed NHTSA it was expanding the recall to include 2006-2007 model year (MY) Chevrolet HHR and Pontiac Solstice, 2003-2007 MY Saturn Ion, and 2007 MY Saturn Sky vehicles.

131. GM included an Attachment to the February 24, 2014 letter. In the Attachment GM, **for the first time**, admitted that GM authorized a change in the ignition switch in 2006. Specifically, GM stated:

On April 26, 2006, the GM design engineer responsible for the Cobalt's ignition switch signed a document approving changes to the ignition switch proposed by the supplier, Delphi Mechatronics. The approved changes included, among other things, the use of a new detent plunger and spring that increased torque force in the ignition switch. This change to the ignition switch was not reflected in a corresponding change in the part number for the ignition switch. GM believes that the supplier began providing the re-designed ignition switch to GM at some point during the 2007 model year. (GM's February 24, 2014 and Attachment is attached as **Exhibit B.**)

132. GM then produced documents in response to Congressional requests leading up to the hearings April 1 and 2, 2014. Among the documents produced by GM is a document titled, "GENERAL MOTORS COMMODITY VALIDATION SIGN-OFF," dated April 26, 2006. This document is attached as **Exhibit C.** According to this document, Delphi had met all of the sign-off requirements in order to provide a new ignition switch for certain GM vehicles.

GM has acknowledged that the ignition switch in the Cobalt was included in this design change.

133. The design change included a new detent plunger “to increase torque force in the switch.” Mr. DeGiorgio’s signature is on this page as the GM authorized engineer who signed off on this change to the ignition switch.

134. This GM Commodity Validation Sign-Off shows that Mr. DeGiorgio repeatedly perjured himself during his deposition on April 29, 2013. Mr. DeGiorgio perjured himself in order to fraudulently conceal evidence from the Meltons that GM had signed off on the change in the ignition switch so that the Meltons, and ultimately a jury, would never know that GM was changing the switches in 2007 and later model year Cobalts and concealing these changes from Brooke.

135. Mr. DeGiorgio perjured himself when he signed the errata sheet confirming that all the testimony was true and accurate.

136. GM fraudulently concealed this critical evidence of the design change in the ignition switch from the Meltons in its response to RPD No. 1 in Plaintiff’s Fifth Request for Production of Documents wherein it said, “GM LLC did not request and was not asked to authorize or approve a change in the cap and spring in the ignition switch used in the 2008 Chevrolet Cobalt or in replacement ignition switches for the 2005-2007 Chevrolet Cobalt that would affect the torque

required to move the key from the run to accessory position.” GM’s served this response in its continuing effort to fraudulently conceal evidence from the Meltons that GM had signed off on the change in the ignition switch so that the Meltons, and ultimately a jury, would never know that GM was changing the switches in 2007 and later model year Cobalts and concealing these changes from Brooke.

Thornton’s Role In Brooke’s Injuries and Death

137. On March 6, 2010, Brooke took her 2005 Chevrolet Cobalt to Thornton for service because the engine shut off while she was driving. She told Thornton about her problems with the Cobalt, and confirmed to her father that she had explained to Thornton was happening with her Cobalt and that the engine was shutting off.

138. Despite having the GM TSB in their system, Thornton never found it and never determined that the Cobalt was shutting off because of the issues mentioned in the TSB.

139. Thornton performed work on Brooke’s car, including a TBI injection clean on the vehicle. The TBI injection clean was not performed to correct the problem with the engine shutting off while driving. Thornton, however, told Brooke that it had performed the TBI injection clean in order to address the problem of the engine shutting off while she was driving. Thornton tried to sell Brooke other unnecessary and unneeded work on her car.

140. Based on the Miles In and the Miles Out on its service form, Thornton returned Brooke's car to her without even doing a test drive. Thornton, however, told Brooke that it had performed the TBI injection clean in order to address the problem of the engine shutting off while she was driving. Thornton never performed the work addressed in the GM TSB and never told Brooke about the GM TSB.

141. After she picked up her car, Brooke told her father that Thornton claimed to have repaired her Cobalt.

IV. Rescission

142. On June 24, 2011, the Meltons filed their original lawsuit against GM. On August 21, 2013, the Meltons mediated the case and subsequently settled the case on August 22, 2013. The Meltons settled their case based on the information they had at the time, which did not include the information contained in Paragraph Nos. ___ to ___.

143. GM's fraudulent concealment of the evidence to the Meltons, as well as Mr. DeGiorgio's perjury, resulted in the Meltons being misled about the true facts of the case and, thus, their settlement was based on incomplete false data that GM had withheld solely to induce them to settle their case.

144. On or about April 1, 2014, the Meltons learned for the first time that GM fraudulently concealed relevant evidence and affirmatively misled them,

and that their settlement was based on incomplete and false data, and that GM had withheld that data solely to induce them to settle their case.

145. After reviewing the information now available because of the GM recall, the Meltons realized the full scope of GM's deception. On or about April 11, 2014, therefore, the Meltons tendered an offer of rescission to GM. The Meltons gave GM until April 20, 2014 to accept or deny the tender and rescission. GM _____.

V. Renewed Claims Against GM and Claims Against Thornton

The Meltons assert the following claims against GM:

Count One: Strict Liability

146. All preceding statements and allegations of Plaintiffs' Complaint are incorporated herein and realleged as if expressly set forth herein.

147. GM designed, selected, inspected, tested, manufactured, assembled, equipped, marketed, distributed and sold the Saturn Ion, and its components, including but not limited to, equipping it with the Key System.

148. GM designed, selected, inspected, tested, manufactured, assembled, equipped, marketed, distributed and sold the Key System which was selected and installed in the Saturn Ion.

149. The 2005 Chevrolet Cobalt was destroyed in the accident more than two years before the initiation of this action, but any statutes limitation are

tolled because of GM's fraud and fraudulent concealment, and conduct equivalent to that required to impose punitive damages against GM.

150. GM had a legal duty to design, inspect, test, manufacture and assemble the Chevrolet Cobalt so that it would be reasonably crashworthy and provide a reasonable degree of occupant safety in foreseeable collisions occurring in the highway environment of its expected use.

151. Among other things, the 2005 Chevrolet Cobalt is not crashworthy, is defective, and is unreasonably dangerous and unsafe for foreseeable users and occupants in each of the following particulars:

- (a) having a Key System that is inadequately designed and constructed, and located, which may result in the key moving from the run to accessory/off position during normal driving maneuvers;
- (b) having a Key System that allows the Chevrolet Cobalt 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;
- (d) failing to adequately warn Brooke, 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 Brooke and the Meltons could make informed and prudent decisions regarding traveling or riding in such vehicles.

152. The defective nature of the Chevrolet Cobalt was the proximate cause of the damages sustained by Brooke, and the Meltons, as set forth herein, thus rendering GM strictly liable.

Count Two: Negligence

153. All preceding statements and allegations of Plaintiffs' Complaint are incorporated herein and realleged as if expressly set forth herein.

154. GM was negligent in designing, inspecting, testing, manufacturing, assembling, marketing, selling and providing warnings for the Chevrolet Cobalt, as set out in the paragraphs above.

155. GM's negligence proximately caused the damages sustained by Brooke and the Meltons, as set forth herein.

Count Three: Breach of Implied Warranty

156. All preceding statements and allegations of Plaintiffs' Complaint are incorporated herein and realleged as if expressly set forth herein.

157. GM breached its implied warranty of merchantability by selling the Chevrolet Cobalt when it was not fit for the ordinary purpose for which such goods are sold.

158. This breach of warranty proximately caused the damages sustained by Brooke and the Meltons, as set forth herein.

Count Four: Fraud and Fraudulent Concealment

159. All preceding statements and allegations of Plaintiffs' Complaint are incorporated herein and realleged as if expressly set forth herein.

160. GM intentionally concealed material facts from Brooke and the Meltons, the public, and NHTSA. GM knew that the Chevrolet Cobalt and other GM vehicles were designed and manufactured with Key System defects, but GM concealed those material facts. Although the defective GM vehicles contain safety-related defects that GM knew of, or should have known of, at the time of distribution, GM recklessly manufactured and distributed those vehicles to consumers in the United States. Those consumers had no knowledge of the safety-related defects.

161. GM had a duty to disclose the facts to Brooke and the Meltons, the public who owned defective GM cars, and NHTSA, but failed to do so.

162. GM knew that Brooke and the Meltons had no knowledge of those facts and that neither Brooke nor the Meltons had an equal opportunity to discover the facts. GM was in a position of superiority over Brooke and the Meltons. Indeed, Brooke and the Meltons trusted GM not to sell them a car that was defective or that violated federal law governing motor vehicle safety. Brooke

and the Meltons further trusted GM to warn of defects and to recall defective vehicles timely and before they caused injury.

163. By failing to disclose these material facts, GM intended to induce Brooke and the Meltons to purchase the Chevrolet Cobalt and/or to continue to use and drive it. GM further intended to induce NHTSA not to recall Brooke's Cobalt, well as the other defective GM vehicles in order to reduce its eventual financial exposure.

164. Brooke and the Meltons reasonably relied on GM's nondisclosure, and reasonably but unknowingly continued to use the Chevrolet 2005 Cobalt until the date of the wreck.

165. Brooke would not have purchased the Chevrolet Cobalt had they known of the Key System defects, and certainly would not have continued to drive it, and would not have allowed Brooke to drive it, once they learned of these defects.

166. GM reaped the benefit of the sales and leases of Defective Vehicles as a result of its nondisclosure to the public and to NHTSA. Additionally, in not disclosing the Key System defects, GM helped prevent any meaningful investigation of many wrecks and collisions that were highly likely the result of those defects. Further, because GM had not placed this matter before

NHTSA or the public, cars and components in those other similar wrecks were disposed of without the appropriate and adequate investigation.

167. As a direct and proximate result of GM's wrongful conduct and fraudulent concealment, Brooke and the Meltons suffered the damages described herein, including the full economic and intangible value of the life of Brooke Melton to her had she lived.

168. GM's conduct was knowing, intentional, with malice, demonstrated a complete lack of care, and was in reckless disregard for the rights of Brooke and the Meltons, such that punitive damages are appropriate.

Count Five: GM Has Engaged In A Pattern of Racketeering Activity

169. All preceding statements and allegations of Plaintiffs' Complaint are incorporated herein and realleged as if expressly set forth herein.

170. GM is engaged in an ongoing pattern of racketeering activity as defined by 18 U.S.C. § 1961(1).

171. The federal RICO pattern of racketeering activity engaged in by GM consists of more than two acts of racketeering activity, the most recent of which occurred within one year after the commission of a prior act of racketeering activity.

172. GM is engaged in an ongoing pattern of racketeering activity as defined by O.C.G.A. § 16-14-3(9)(A).

173. The Georgia RICO pattern of racketeering activity of engaged in by GM consists of more than two acts of racketeering activity, the most recent of which occurred within four years after the commission of a prior act of racketeering activity.

174. For purposes of federal RICO, the racketeering activity includes open and ongoing violations of 49 U.S.C. § 30118(c) (notification to NHTSA of safety-related defect); 49 U.S.C. §30120 (remedy without charge); 49 U.S.C. § 30116 (repurchase or repair before first sale); 18 U.S.C. § 1341 (mail fraud); 18 U.S.C. § 1343 (wire fraud); and 18 U.S.C. § 1001 (obstruction of justice).

175. GM has violated and continues to violate 49 U.S.C. § 30118(c) in that GM wilfully, maliciously, intentionally and fraudulently failed to provide NHTSA with the requisite notice, as implemented in 49 C.F.R. § Part 573 and Part 577.

176. GM has also violated and continues to violate 49 U.S.C. §30120 in that GM wilfully, maliciously, intentionally and fraudulently failed to remedy without charge the defects in the Chevrolet Cobalt.

177. GM has also violated and continues to violate 49 U.S.C. § 30116 in that GM wilfully, maliciously, intentionally and fraudulently failed to repair or repurchase the Chevrolet Cobalt well before it left the dealership.

178. GM has also violated and continues to violate 18 U.S.C. § 1341 in that GM has used the United States mails in furtherance of its fraud, racketeering activities, and in the concealment from NHTSA and the public of the safety-related defects in the 2005 Chevrolet Cobalt.

179. GM has also violated and continues to violate 18 U.S.C. § 1342 in that GM has used United States wire services in furtherance of its fraud, racketeering activities and in the concealment from NHTSA and the public of the safety-related defects in the 2005 Chevrolet Cobalt.

180. GM has also violated and continues to violate 18 U.S.C. § 1001 in that GM has obstructed the administration of justice by virtue of its concealment from NHTSA of the safety-related defects in the Chevrolet Cobalt and related GM cars.

181. Each violation of the code sections cited above constitutes an act of “racketeering activity” under federal RICO Act.

182. Each violation of the code sections cited above constitutes an act of “racketeering activity” under the Georgia RICO Act.

The Acts of Racketeering Activity Committed by GM Are Related

183. The acts of racketeering activity committed by GM have the same or similar methods of commission in that they involve the knowing concealment of automotive defects from the public and NHTSA, as well as false statements made to the public and NHTSA in connection with the sale of regulated products.

184. The acts of racketeering activity committed by GM have the same or similar objective, namely, the continued sale of defective products and the avoidance of NHTSA-ordered recalls.

185. The acts of racketeering activity committed by GM have the same or similar victims, namely, the Plaintiffs and other owners and users of defective GM cars.

186. The acts of racketeering activity committed by GM are otherwise related by distinguishing characteristics including, but not limited to, the involvement of GM, its workers, its executives and officers, and other members of the association-in-fact enterprise identified herein in Paragraph Nos. _____ to _____.

**The Acts of Racketeering Activity Committed
by GM Involve A Distinct Threat of Long-Term Racketeering Activity**

187. GM's acts of racketeering activity involve a distinct threat of long-term racketeering activity.

188. GM's practice of fraudulently concealing defects in its cars, and concealing documents and falsely reporting to NHTSA has continued for years, is ongoing at the present time, and will continue in the future unless halted by judicial intervention.

189. GM's practice of fraudulently concealing defects in its cars, and concealing documents and falsely reporting to NHTSA has continued for years is part of its regular way of conducting business.

190. GM has committed numerous violations of 49 U.S.C. §§ 30118(c), 30120, 30116 and 18 U.S.C. §§ 1341, 1343, and 1001 as part of its pattern of racketeering activity.

The GM RICO Enterprise

191. GM has engaged in an open and ongoing pattern of violations of 49 U.S.C. §§ 30118(c), 30120, 30116 and 18 U.S.C. §§ 1341, 1343, and 1001 during the past fourteen years in the handling of the Key System on the Chevrolet Cobalt and other defective GM cars and in its communications with NHTSA and the public.

192. GM has reported falsely, fraudulently, and illegally to NHTSA and the public. The GM RICO enterprise has worked in this fashion continuously since 2001.

193. GM participates in the operation and management of the affairs of the enterprise, which exists for GM's benefit.

194. GM's activities constitute a racketeering enterprise pursuant to 18 U.S.C. § 1961(4).

195. The enterprise affects interstate commerce in a variety of ways.

196. The enterprise affects interstate commerce in that GM cars with the Key System defect are sold in each of the United States, drive in and through the United States, and have caused injuries and damages in interstate commerce.

197. The enterprise also affects interstate commerce in that the earnings or savings to GM in not recalling the vehicles in a timely fashion, or notify owners and injured parties of the defect resulted, as intended by GM, in a substantial savings of money to GM and allowed GM to avoid the negative publicity of a recall and the attendant disclosure of adverse facts.

198. The enterprise also affects interstate commerce in that GM, a member of the enterprise, is directly engaged in the production, distribution, and acquisition of goods and services in interstate commerce.

199. GM accepted and retained the benefits of the acts of racketeering activity, thereby ratifying the conduct of its managers, officers, executives, employees, and the members of the enterprise who assisted it in committing the acts of racketeering activity.

GM Racketeering Activity Has Caused Plaintiffs' Injury

200. GM's violations of federal and Georgia RICO proximately have caused the Brooke and the Meltons to suffer severe injury, including physical injury, pain and suffering, and Brooke's death. But for GM's willful, malicious, fraudulent and racketeering conduct Brooke would not have provided OR BOUGHT the defective Chevrolet Cobalt.

**Count Five (a)
(Violation of 18 U.S.C. § 1962(c))**

201. All preceding statements and allegations of Plaintiffs' Complaint are incorporated herein and realleged as if expressly set forth herein.

202. The foregoing conduct constitutes a violation of 18 U.S.C. § 1962(c).

203. Plaintiffs have been injured in their property and person by reason of GM's violations of 18 U.S.C. § 1962(c).

204. The injuries suffered by Plaintiffs were caused by GM's violations of 18 U.S.C. § 1962(c).

205. Pursuant to 18 U.S.C. § 1964(c), Plaintiffs are entitled to recover threefold the damages they have sustained and theirs costs of suit, including reasonable attorney's fees.

**Count Five (b)
(Violation of O.C.G.A. §§ 16-14-4(a) and (b))**

206. All preceding statements and allegations of Plaintiffs' Complaint are incorporated herein and realleged as if expressly set forth herein.

207. GM has acquired and maintained an interest in and control of personal property, including money, through a pattern of racketeering activity.

208. Plaintiffs have been injured by reason of GM's violation of O.C.G.A. §§ 16-14-4(a) and (b), and are entitled to recover three times the actual damages sustained.

209. In addition, GM's actions showed willful misconduct, malice, fraud, wantonness, oppression, and that entire want of care that raises the presumption of conscious indifference to the consequences and specific intent to cause harm, entitling Plaintiffs to recover unlimited punitive damages sufficient to deter, penalize, or punish GM in light of the circumstances of the case.

210. Plaintiffs are also aggrieved persons within the meaning of O.C.G.A. § 16-14-6(b) and are, accordingly, entitled to appropriate preliminary and injunctive relief.

211. Pursuant to O.C.G.A. § 16-14-6(a), Plaintiffs ask the Court to issue appropriate orders and judgment requiring GM to cease its illegal conduct and imposing reasonable restrictions upon GM's future activities sufficient to prohibit future violations of the law.

Count Five (c)
(Violation of O.C.G.A. § 16-14-4(c))

212. All preceding statements and allegations of Plaintiffs' Complaint are incorporated herein and realleged as if expressly set forth herein.

213. GM has endeavored to violate O.C.G.A. § 16-14-4(a), in violation of O.C.G.A. § 16-14-4(c).

214. GM has also conspired with its employees, officers, executives, lobbying firms, known and unknown, to violate O.C.G.A. § 16-14-4(a), in violation of O.C.G.A. § 16-14-4(c).

215. GM has committed overt acts, which are also acts of racketeering activity, in furtherance of the conspiracy. The overt acts include violations of 49 U.S.C. §§ 30118(c), 30120, 30116 and 18 U.S.C. §§ 1341, 1343, and 1001.

216. GM has also committed overt acts in furtherance of the conspiracy by having GM employees, officers, executives, agents, and lobbyists travel in interstate commerce for the purpose of assisting GM in concealing defects in its cars and in falsely reporting to NHTSA.

217. GM's actions showed willful misconduct, malice, fraud, wantonness, oppression, and that entire want of care that raises the presumption of conscious indifference to the consequences and specific intent to cause harm,

entitling Plaintiffs to recover unlimited punitive damages sufficient to deter, penalize, or punish GM.

218. GM's violations of federal and Georgia RICO acts are intended to and do in fact cause direct injury to users and owners of GM products, including Brooke and the Meltons.

Count Six: Negligence of Thornton

219. All preceding statements and allegations of Plaintiffs' Complaint are incorporated herein and realleged as if expressly set forth herein.

220. On March 6, 2010, Brooke brought her Cobalt to Thornton for service because the engine shut off while she was driving. Thornton performed a TBI injection clean on the vehicle and led Brooke to believe that this service would resolve the problem of the engine shutting off while driving.

221. Thornton was, or should have been, aware of the TSB which applied to Brooke's vehicle. Thornton, however, did not perform the work pursuant to the TSB.

222. Thornton knew, or should have known, that not performing the TSB work would result in the Chevrolet Cobalt being unsafe to drive because there was the potential that the key could move from the run to accessory position due to the low ignition key cylinder torque effort.

223. On March 10, just before the collision which resulted in Brooke's death, the key in the Cobalt turned from the run to the accessory position which ultimately caused Brooke to lose control of the Cobalt.

224. Thornton's negligence in failing to properly diagnose the source of the Chevrolet Cobalt's engine shutting off, as well as its decision to return the Cobalt to Brooke without having diagnosed and fixed the problem, was a proximate cause of the damages sustained by Plaintiffs, as set forth herein.

Count Six: Punitive Damages

225. All preceding statements and allegations of Plaintiffs' Complaint are incorporated herein and realleged as if expressly set forth herein.

226. GM, through its conduct in designing, testing, manufacturing, assembling, marketing, selling and failing to adequately repair the Cobalt, demonstrated an entire want of care, evidencing a reckless indifference and disregard to the consequences of their actions. GM's actions also constitute fraudulent concealment and RICO violations.

227. Thornton, in failing to find and employ the TSB, in repairing the wrong part of Brooke's car, and failing to test drive the car, and in failed to properly apprise her of the remaining issues in her car and of the fact they had not safely repaired it, Thornton demonstrated an entire want of care, evidencing a reckless indifference and disregard to the consequences of their actions.

228. Plaintiffs, pursuant to O.C.G.A. § 51-12-5.1, are entitled to an award of punitive damages to deter GM and Thornton, and other similarly situated entities, from such conduct in the future.

Count Seven: Attorney's Fees and Expenses

229. All preceding statements and allegations of Plaintiffs' Complaint are incorporated herein and realleged as if expressly set forth herein.

230. GM's and Thornton's actions have been in bad faith and have caused Brooke and the Meltons to suffer unnecessary trouble and expense. Brooke and the Meltons are, therefore, entitled to recover from GM all expenses of litigation, including attorney's fees, costs and expenses pursuant to O.C.G.A. § 13-6-11.

231. GM's actions subject it to attorney's fees as well under 18 U.S.C § 1964(c) and O.C.G.A. § 16-14-6(c), which includes attorney's fees in the trial and appellate courts and costs of investigation and litigation reasonably incurred.

V. Damages

232. All preceding statements and allegations of Plaintiffs' Complaint are incorporated herein and realleged as if expressly set forth herein.

233. Kenneth David Melton and Mary Elizabeth Melton, the natural parents of Jennifer Brooke Melton, deceased, have standing to recover for the wrongful death of Jennifer Brooke Melton.

234. Kenneth David Melton and Mary Elizabeth Melton, as Administrators of the Estate of Jennifer Brooke Melton, have standing to recover the general damages and special damages of Jennifer Brooke Melton.

235. As a direct and proximate result of the negligence and misconduct of both Defendants, as well as the defective, unsafe and unreasonably dangerous Cobalt, Jennifer Brooke Melton was killed, and Plaintiffs are entitled to recover from all the Defendants the full value of the life of Brooke.

236. As a direct and proximate result of the negligence and misconduct of both Defendants, as well as the defective, unsafe and unreasonably dangerous Cobalt, Brooke experienced physical pain and suffering.

237. As a direct and proximate result of the negligence and misconduct of both Defendants, as well as the defective, unsafe and unreasonably dangerous Cobalt, Brooke experienced mental pain and suffering, including shock, fright, and terror.

238. As a direct and proximate result of the negligence and misconduct of both Defendants, Brooke's 's Estate incurred funeral and burial expenses.

Prayer For Relief

Plaintiffs, the Meltons, demand judgment and other relief as follows:

a. Judgment against GM and Thornton in an amount sufficient to fully and fairly compensate Brooke's Estate and the Meltons for her physical and emotional injuries, her medical bills and funeral expenses, all of her general and special damages, and for the full value of her life.

b. Reasonable attorney's fees from GM, pursuant to 18 U.S.C. § 1964(c);

c. Judgment against GM in an amount equal to three times the actual damages sustained by Brooke, pursuant to 18 U.S.C. § 1964(c);

d. Judgment against GM in an amount equal to three times the actual damages sustained by Brooke, pursuant to O.C.G.A. § 16-14-6(c);

e. Attorney's fees from GM in the trial and appellate courts and costs of investigation and litigation reasonably incurred pursuant to O.C.G.A. § 16-14-6(c);

f. Appropriate orders and judgments prohibiting GM from engaging in the violations of law alleged herein, pursuant to O.C.G.A. § 16-14-4(a) and (b);

g. Punitive damages against both GM and Thornton pursuant to O.C.G.A. § 51-12-5.1;

h. Attorney's fees and costs of litigation from both GM and Thornton pursuant to O.C.G.A. § 13-6-11;

i. Trial by jury; and

j. Such other relief as the Court deems just and proper under the circumstances.

DATED: April _____, 2014.

Respectfully submitted,

THE COOPER FIRM

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