

CW-14-21250 CP
Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

WENDY SCOBIE

Plaintiff

and

GENERAL MOTORS OF CANADA LIMITED and
GENERAL MOTORS COMPANY

Defendants

Proceeding under the *Class Proceedings Act, 1992*

STATEMENT OF CLAIM

TO THE DEFENDANT

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the plaintiff. The claim made against you is set out in the following pages.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or an Ontario lawyer acting for you must prepare a statement of defence in Form 18A prescribed by the Rules of Civil Procedure, serve it on the plaintiff's lawyers or, where the plaintiff do not have a lawyer, serve it on the plaintiff, and file it, with proof of service, in this court office, WITHIN TWENTY DAYS after this statement of claim is served on you, if you are served in Ontario.

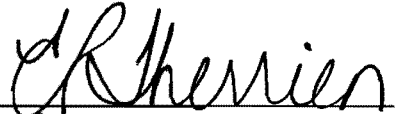
If you are served in another province or territory of Canada or in the United States of America, the period for serving and filing your statement of defence is forty days. If you are served outside Canada and the United States of America, the period is sixty days.

Instead of serving and filing a statement of defence, you may serve and file a notice of intent to defend in Form 18B prescribed by the Rules of Civil Procedure. This will entitle you to ten more days within which to serve and file your statement of defence.

IF YOU FAIL TO DEFEND THIS PROCEEDING, JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO DEFEND THIS PROCEEDING BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

September 10, 2014

Issued by:


Registrar

Address of Court Office:
245 Windsor Avenue
Windsor ON N9A 1J2

TO:
**GENERAL MOTORS OF CANADA
LIMITED**
1908 Colonel Sam Drive
Oshawa Ontario L1H 8P7

AND TO:
GENERAL MOTORS COMPANY
Jefferson Avenue,
100 Renaissance Center
Detroit, Michigan 48243

CLAIM

DEFINED TERMS

1. In this Statement of Claim, in addition to the terms that are defined elsewhere herein:

- (a) “**Barra**” means Mary Barra;
- (b) “**CJA**” means the *Courts of Justice Act*, R.S.O. 1990, c C.43, as amended;
- (c) “**Class**” or “**Class Members**” means all persons in Canada who, on July 4, 2014, owned one of the **Vehicles**;
- (d) “**CPA**” means the *Class Proceedings Act, 1992*, S.O. 1992, c. 6, as amended;
- (e) “**Excluded Persons**” means **GM, GMC** and their officers, directors and their respective heirs, successors and assigns;
- (f) “**EWO**” means Engineering Work Order;
- (g) “**GM**” means General Motors Company;
- (h) “**GMC**” means General Motors of Canada Limited;
- (i) “**Ignition Switch**” means the **Ignition Switch**, designated part number 10310896 and used in the Pontiac Grand Prix, and designated part number 22688239 and used in all other **Vehicles**, manufactured by Stoneridge Inc Pollak Engineered Products;
- (j) “*Motor Vehicle Safety Act*” means the *Motor Vehicle Safety Act*, S.C. 1993, c. 16, as amended;
- (k) “**New Ignition Switch**” means the redesigned **Ignition Switch** manufactured by Stoneridge Inc Pollak Engineered Products;
- (l) “**NHTSA**” means the U.S. National Highway Traffic Safety Administration;
- (m) “**Plaintiff**” means Wendy Scobie;

- (n) “**PRTS**” means Problem Resolution Tracking System; and
- (o) “**Vehicles**” means the **Vehicles** subject to Manufacturer Recall Number 14350 and described in paragraph 3.

2. The Plaintiff, on her own behalf and on behalf of all Class Members, claims:

- (a) an order certifying this action as a class proceeding and appointing the Plaintiff as the representative plaintiff;
- (b) general damages and special damages in the amount of \$500,000,000;
- (c) punitive damages and/or aggregate damages in the amount of \$150,000,000;
- (d) a reference to decide any issues not decided at the trial of the common issues;
- (e) prejudgment interest compounded and postjudgment interest pursuant to the *CJA*;
- (f) costs of this action pursuant to the *CPA* and *CJA* on a full or substantial indemnity basis, plus the cost of administration and notice pursuant to s. 26(9) of the *CPA* and applicable taxes; and
- (g) such further and other relief as to this Honourable Court seems just.

THE NATURE OF THE ACTION

3. This class action concerns the negligent and dangerous design, manufacture and installation of the defective Ignition Switch in the Vehicles named in the following chart:

MAKE	MODEL	MODEL YEARS: INCLUSIVE
Chevrolet	Impala	2000 – 2005
Chevrolet	Malibu	1997 – 2005
Chevrolet	Monte Carlo	2000 – 2005
Oldsmobile	Alero	1999 – 2004
Oldsmobile	Intrigue	1998 – 2002
Pontiac	Grand Am	1999 – 2005
Pontiac	Grand Prix	2004 – 2008

4. GM and GMC failed to advise the owners of the Vehicles and the public in a timely manner about this defective Ignition Switch which they knew was defective since at least 2003. This failure by GM and GMC was life threatening to the Class Members and others. At least seven crashes resulting in eight injuries and three deaths were caused by this defective Ignition Switch.

THE PLAINTIFF

5. The plaintiff is a 61 year old retiree residing in the City of Windsor. On July 7, 2004 she purchased a 2004 Chevrolet Malibu. She currently owns this Vehicle.

PARTICULARS OF THE CLASS

6. The Class is comprised of all persons in Canada who on July 4, 2014 owned one of the approximate 641,121 Vehicles. The members of the Class are known to GMC and GM.

GMC'S RELATIONSHIP WITH GM

7. GM is a corporation organized and existing under the laws of the State of Delaware. GM describes itself as an American corporation with its head office in Detroit, Michigan. GM was responsible for the engineering, design, development, research and manufacture of the Vehicles.

8. GMC is a federally incorporated Canadian company with its head office in Oshawa, Ontario. It was also involved with the engineering, design, development, research, manufacture and distribution of the Vehicles in Canada. GMC is and was at all material times a wholly-owned subsidiary of GM.

9. GMC has four production facilities and offices throughout Canada. At all material times, GMC was the sole distributor of the Vehicles in Canada. It sold the Vehicles through its dealer and retailer network.

10. On June 1, 2009, "old" GM went into bankruptcy in a pre-packaged Chapter 11 reorganization under the United States Code in the United States Bankruptcy Court for the Southern District of New York.

11. On July 10, 2009, "new" GM completed the purchase of the continuing operations, assets, trademarks, and the shares of GM owned by "old" GM as part of the Chapter 11 reorganization.

12. In this Chapter 11 bankruptcy reorganization, “old” GM did not disclose the dangerous defect in the Ignition Switch in the Vehicles and, as such, the Class Members’ claims are not affected by the bankruptcy.

THE DANGEROUS DEFECT IN THE VEHICLES

13. In early 2003, GM learned from a Michigan dealership of a customer complaint about an engine shut off while a 2003 Pontiac Grand Am vehicle was in motion.

14. At the time of this event, the Ignition Switch with part number 22688239 (“226”) was used in all model Vehicles except the Pontiac Grand Prix. The Ignition Switch with part number 10310896 (“103”) was used only in the Pontiac Grand Prix.

15. The 226 Ignition Switch and the 103 Ignition Switch were identical. However, they were given different part numbers, contrary to GM and GMC’s internal policy.

16. GM and GMC knew that the Vehicles were designed so that when the Ignition Switch is turned out of the ‘run’ position, the airbag’s sensing diagnostic module is turned off, the electric power steering assist is turned off, and the power brake assist is also turned off.

17. GM's Brand Quality Manager visited the dealership and requested that the customer demonstrate the problem. The customer was able to recreate the shut off by driving over a speed bump at approximately 30 – 35 mph. The Ignition Switch was turned out of the 'run' position as the 2003 Pontiac Grand Am went over the speed bump, causing what has been described as a "moving stall".

18. On January 7, 2003, GM opened the PRTS 0084/2003 investigation to collect and review data with respect to moving stalls in the 2003 Pontiac Grand Am model.

19. During the course of PRTS 0084/2003, GM and GMC concluded that the torque required to turn the 226 Ignition Switch out of the 'run' position was below internal specifications, and sufficiently low to constitute a safety defect.

20. On May 22, 2003, GM issued Service Bulletin No. 052203, advising dealers when the 226 Ignition Switch may turn out of the 'run' position. Service Bulletin No. 052203 read as follows:

Service Bulletin No.: 052203		NHTSA ID Number:
10003658		
Component(s): ENGINE AND ENGINE COOLING		
All Products Associated with this Service Bulletin		
Vehicle Make	Model	Model Year(s)
CHEVROLET	MALIBU	1999-2003
OLDSMOBILE	ALERO	1999-2003
PONTIAC	GRAND AM	1999-2003
Manufacturer: General Motors LLC		

SUMMARY:
COMPLAINTS OF INTERMITTENT VEHICLE SHUTTING OFF WHILE DRIVING WITH NO MULTIPLE CODES SET. THE VEHICLE WOULD IMMEDIATELY RESTART. THE ACTUAL CAUSE OF THIS CONDITION WAS THAT OVER BUMPS THE MASS AND WEIGHT OF THE CUSTOMER'S KEY RING FORCES THE DASH MOUNTED KEY LOCK CYLINDER SWITCH OUT ITS SWITCH DETENT AND ALLOWS THE KEY TO ROTATE BACK FROM THE ON POSITION TOWARDS THE ACCESSORY POSITION. *TT

21. At that time, GM and GMC did not issue a Service Bulletin or otherwise advise its dealers or the Class Members that the defective Ignition Switch had been and continued to be used in the assembly of the other Vehicles not identified in Service Bulletin No. 052203.

22. On July 24, 2003, GM initiated EWO 211722 to redesign the 226 Ignition Switch to create the New Ignition Switch with a higher torque requirement increase the detent plunger force to turn out of the 'run' position. The New Ignition Switch was designated part number 227737173 ("227").

23. GM and GMC only put the 227 New Ignition Switch into the Chevrolet Malibu, Chevrolet Alero and Pontiac Grand Am models, commencing with the 2004 model year.

24. GM and GMC continued to assemble the Chevrolet Impala and Chevrolet Monte Carlo models with the 226 Ignition Switch, despite the availability of the 227 New Ignition Switch.

25. GM and GMC did not recall the Vehicles that had been assembled with the 226 Ignition Switch, in order to replace the 226 Ignition Switch with the 227 New Ignition Switch. These Vehicles continued to operate with the defective 226 Ignition Switch until GM and GMC recalled these Vehicles on July 4, 2014 a decade later, as further described below.

26. For approximately one year after GM's initiation of EWO 211722, GM continued to assemble the Pontiac Grand Prix with the defective 103 Ignition Switch, despite the availability of the New Ignition Switch.

27. On March 17, 2004, GM initiated EWO 317693 to increase the detent plunger force on the 103 Ignition Switch, used in the Pontiac Grand Prix. But contrary to GM's internal policy this New Ignition Switch retained the same 103 part number as the defective 103 Ignition Switch. Accordingly, because they have the same part number GM and GMC have no way of determining which Pontiac Grand Prix Vehicles were assembled with the defective 103 Ignition Switch, or with the 103 New Ignition Switch.

28. GM and GMC also continued to use the defective 103 Ignition Switch as a replacement part to service the Pontiac Grand Prix notwithstanding GM's and GMC's knowledge of its defect. GM and GMC have no way of determining which Pontiac Grand Prix Vehicles were serviced with a defective 103 Ignition Switch, or with a 103 New Ignition Switch.

29. On May 22, 2014, NHTSA forwarded to GM Director of Global Policy and GM Director of Field Product Investigations and Evaluations a link to Service Bulletin No. 052203, and requested further information on the Ignition Switch.

30. On June 4, 2014, GM assigned a Product Investigations Engineer to investigate the Ignition Switch. Between June 6, 2014 and June 24, 2014, GM's employees and outside experts gathered and analyzed data relating to the 226 Ignition Switch used on the Malibu, Grand Am and Alero Vehicles, and identified other Vehicles which used the 226 Ignition Switch.

31. Between June 13, 2014 and June 24, 2014, GM evaluated the Vehicles at the Milford Proving Ground. This road testing confirmed what GM and GMC knew in 2003, namely that the torque performance of the Ignition Switch was insufficient to resist energy generated when a Vehicle goes off road or experiences some other jarring effect resulting in the movement of the key out of the 'run' position.

32. On June 26, 2014, the Product Investigations Engineer reported on his investigation to GM.

33. On June 30, 2014, GM and GMC issued a press release that stated they “have worked aggressively to identify and address the major outstanding issues that could impact the safety of our customers.” In this press release GM and GMC explained the reason for the recall of all Vehicles manufactured with the defective Ignition Switch (103 and 226):

GM Announces Six Safety Recalls

2014-06-30

OSHAWA – General Motors announced today it will conduct six new safety recalls in Canada involving about 700,000 vehicles from the 1997 to 2014 model years.

“We undertook what I believe is the most comprehensive safety review in the history of our company because nothing is more important than the safety of our customers,” said GM CEO Mary Barra. “Our customers deserve more than we delivered in these vehicles. That has hardened my resolve to set a new industry standard for vehicle safety, quality and excellence.”

Among these recalled vehicles, GM is aware of seven crashes, eight injuries and three fatalities. The fatal crashes occurred in older model full-size sedans being recalled for inadvertent ignition key rotation. There is no conclusive evidence that the defect condition caused those crashes.

“We have worked aggressively to identify and address the major outstanding issues that could impact the safety of our customers,” Barra said. “If any other issues come to our attention, we will act appropriately and without hesitation.”

GM has made changes to every process that affects the safety of its vehicles, and the company has acted or will act on all 90 of the recommendations put forward by former U.S. Attorney Anton Valukas in his independent report to the company’s Board of Directors.

GM expects to take a charge of up to approximately \$1.2 billion in the second quarter for the cost of recall-related repairs announced in the quarter. This amount includes a previously disclosed \$700 million charge for recalls already announced during the quarter.

Until the ignition recall repairs have been performed, it is very important that customers remove all items from their key ring, leaving only the vehicle key, and always use their seat belts. The key fob, if present, should also be removed from the key ring.

About General Motors in Canada

Headquartered in Oshawa, Ontario, General Motors of Canada Limited (GMCL) employs more than 9,000 people across the country and is a recognized leader in green manufacturing. GMCL markets the full range of fuel-efficient Chevrolet, Buick, GMC and Cadillac vehicles and related services through Canada's largest automotive dealer network. More information regarding GMCL models can be found at www.gm.ca, or by following @GMCanada on Twitter.

Forward-Looking Statements

In this press release and in related comments by our management, our use of the words “expect,” “anticipate,” “possible,” “potential,” “target,” “believe,” “commit,” “intend,” “continue,” “may,” “would,” “could,” “should,” “project,” “projected,” “positioned” or similar expressions is intended to identify forward-looking statements that represent our current judgment about possible future events. We believe these judgments are reasonable, but these statements are not guarantees of any events or financial results, and our actual results may differ materially due to a variety of important factors. Among other items, such factors might include: our ability to realize production efficiencies and to achieve reductions in costs as a result of our restructuring initiatives and labor modifications; our ability to maintain quality control over our vehicles and avoid material vehicle recalls; our ability to maintain adequate liquidity and financing sources and an appropriate level of debt, including as required to fund our planned significant investment in new technology; the ability of our suppliers to timely deliver parts, components and systems; our ability to realize successful vehicle applications of new technology; and our ability to continue to attract new customers, particularly for our new products. GM's most recent annual report on Form 10-K and quarterly reports on Form 10-Q provides information about these and other factors, which we may revise or supplement in future reports to the SEC.

34. On July 3, 2014, GM sent the following letter to NHTSA about the anticipated safety recall for the defective Ignition Switch:

GENERAL MOTORS LLC
Global Vehicle Safety

July 3, 2014

Ms. Nancy Lewis
Associate Administrator for Enforcement
National Highway Traffic Safety Administration
Recall Management Division (NVS-215)
1200 New Jersey Avenue, SE – Room W45-306
Washington, DC 20590

Dear Ms. Lewis:

The following information is submitted pursuant to the requirements of 49 CFR 573.6 as it applies to a determination by General Motors to conduct a safety related recall involving 2000-2005 model year (MY) Chevrolet Impala and Monte Carlo, 1997-2005 MY Chevrolet Malibu, 1999-2004 MY Oldsmobile Alero, 1998-2002 MY Oldsmobile Intrigue, 1999-2005 MY Pontiac Grand Am and 2004-2008 MY Pontiac Grand Prix vehicles.

573.6(c)(1): Chevrolet, Oldsmobile and Pontiac Brands of General Motors Company.

573.6(c)(2)(3)(4): This information is shown on the attached sheet.

573.6(c)(5): General Motors has decided that a defect which relates to motor vehicle safety exists in 2000-2005 MY Chevrolet Impala and Monte Carlo, 1997-2005 MY Chevrolet Malibu, 1999-2004 MY Oldsmobile Alero, 1998-2002 MY Oldsmobile Intrigue, 1999-2005 MY Pontiac Grand Am, and 2004-2008 MY Pontiac Grand Prix vehicles. 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. If this occurs, engine power, power steering and power braking may be affected, increasing the risk of a crash. 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.

Until the recall has been performed, it is very important that customers remove all items from their key ring, leaving only the vehicle key. The key fob (if applicable), should also be removed from the key ring.

573.6(c)(6): On June 26, 2014, the Safety and Field Action Decision Authority (SFADA) decided to conduct a safety recall. General Motors will be submitting a supplemental chronology on or before July 17, 2014.

573.6(c)(8): Dealers are to install two key rings and key cover on all ignition keys.

General Motors will provide the dealer bulletin and owner letter mail dates when available.

Pursuant to 577.11, General Motors does not plan to provide notice about reimbursement to owners because the provided repair has not previously been available.

573.6(c)(10): General Motors will provide the dealer bulletin and owner letter under separate cover.

573.6(c)(11): General Motors' assigned recall number is 14350.

Sincerely,

Brian Latouf, Director
Field Product Investigations & Evaluations

35. On July 4, 2014 GM and GMC reported a Road Safety Recall to Transport Canada. This published Road Safety Recall reads as follows:

Road Safety Recalls Database Transport Canada Recall # 2014284

Recall Date	2014/07/04	
Notification Type	Safety Mfr	
System	Electrical	
Manufacturer Recall Number	14350	
Units affected	641,121	
Category	Car	
Recall Details		
<p>On certain vehicles, a defect in the ignition switch could allow the switch to move out of the "run" position if the key ring is carrying added weight or the vehicle goes off-road or is subjected to some other jarring event. If this were to occur, engine power, power steering and power braking would be affected, increasing the risk of a crash causing injury and/or damage to property. The algorithm of the crash event, may also result in the airbags not deploying in a subsequent collision, increasing the risk of injury. Correction: For each key, dealers will install two key rings and modify the key ring opening shape. Notes: Until the correction is performed, all items should be removed from the key ring.</p>		
Make	Model	Model Year(s) Affected
CHEVROLET	IMPALA	2000 2001 2002 2003 2004 2005
CHEVROLET	MALIBU	1997 1998 1999 2000 2001 2002 2003 2004 2005
CHEVROLET	MONTE CARLO	2001 2002 2003 2004 2005
OLDSMOBILE	ALERO	1999 2000 2001 2002 2003 2004
OLDSMOBILE	INTRIGUE	1998 1999 2000 2001 2002
PONTIAC	GRAND AM	1999 2000 2001 2002 2003 2004 2005
PONTIAC	GRAND PRIX	2004 2005 2006 2007 2008

36. On July 17, 2014, GM and GMC sent the following letter to each dealer about the anticipated safety recall for the defective Ignition Switch:

GM CUSTOMER CARE AND AFTERSALES
DCS3254
URGENT - DISTRIBUTE IMMEDIATELY

Date: July 17, 2014

Subject: Upcoming Safety Recall – 14350
Unintended Key Rotation

Models: 2000-2005 Chevrolet Impala
2000-2005 Chevrolet Monte Carlo
1997-2005 Chevrolet Malibu
1999-2004 Oldsmobile Alero
1998-2002 Oldsmobile Intrigue
1999-2005 Pontiac Grand Am
2004-2008 Pontiac Grand Prix

To: All General Motors Dealers

Attention: General Manager, Service Advisor, Service Manager,
Parts and Service Director, Parts Manager, Used Vehicle
Sales Manager and Warranty Administrator

General Motors has notified the National Highway Traffic Safety Administration (NHTSA) about an upcoming safety recall that involves 2000-2005 MY Chevrolet Impala and Monte Carlo, 1997-2005 MY Chevrolet Malibu, 1999-2004 MY Oldsmobile Alero, 1998-2002 MY Oldsmobile Intrigue, 1999-2005 MY Pontiac Grand Am and 2004-2008 MY Pontiac Grand Prix vehicles. The GM recall number is 14350. The news media extensively reported this recall on June 30th.

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. If this occurs, engine power, power steering and power braking may be affected, increasing the risk of a crash. 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.

There are approximately 6.7 million U.S. vehicles involved. Until the recall has been performed, it is very important that customers remove all

items from their key ring, leaving only the vehicle key. The key fob (if applicable), should also be removed from the key ring.

Parts are not currently available, but when parts are available, dealers are to install two key rings and key cover on all ignition keys.

This is a courtesy notification to dealers. Dealers will be advised when the recall bulletin is scheduled for release.

The Investigate Vehicle History screen in the Global Warranty Management system will be updated next week to help dealers respond to customer inquiries about whether or not their vehicle is involved.

Please do not call GM Technical Assistance.

END OF MESSAGE
GM CUSTOMER CARE AND AFTERSALES

37. On July 18, 2014 GM and GMC sent the following letter to each dealer about minimizing the risks associated with the defective Ignition Switch:

GM CUSTOMER CARE AND AFTERSALES
DCS3255
URGENT - DISTRIBUTE IMMEDIATELY

Date: July 18, 2014

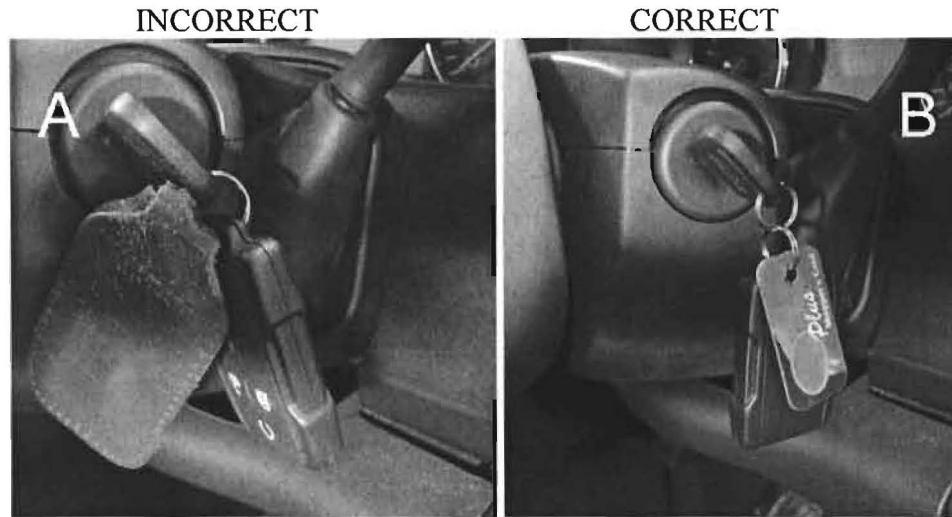
Subject: Elimination of Dealership Promotional Key Tags

Models: All Vehicles

To: All GM Dealers

Attention: Dealer, Dealer Principal, General Manager, Service Manager, Parts and Service Director, Parts Manager, New Vehicle Sales Manager, Used Vehicle Sales Manager

GM is requesting that dealers no longer place rigid items, such as leather or plastic tags, on vehicle key rings (see illustration A below). If it is necessary to attach an item to the key ring, dealers are to place the item on an additional ring (not exceeding an outer diameter of 16 mm) attached to the original key ring (see illustration B below). The item should be small, light, and no larger than an RKE transmitter.



END OF MESSAGE
GM CUSTOMER CARE AND AFTERSALES

NEGLIGENCE

38. GM and GMC, through their employees, officers, directors and agents, failed to meet the reasonable standard of care required in the circumstances in that:

- (a) they wrongfully and intentionally accepted the foreseeable risk of injury and loss of life and property damage and losses to the owners, drivers, passengers and the public because of the Ignition Switch defect;
- (b) notwithstanding that they foresaw personal injuries and the loss of life and property and related damages and losses of the owners, drivers and passengers in the Vehicles, they failed to eliminate or correct the Ignition Switch defect;
- (c) they knew or ought to have known about the Ignition Switch defect and should have announced it to the public prior to July 4, 2014;
- (d) they designed, developed, tested, manufactured, assembled, distributed and sold a defective Ignition Switch;

- (e) they failed to warn the owners, drivers, passengers and the public about the defective Ignition Switch until July 4, 2014;
- (f) they failed to change the design, manufacture and assembly of the Ignition Switch in a reasonable and timely manner;
- (g) they failed to properly test the Ignition Switch;
- (h) they failed to establish any, or any adequate, procedures to ensure that the design of the Ignition Switch was adequate;
- (i) they failed to establish any, or any adequate, procedures for evaluating the design defects of the Ignition Switch;
- (j) they failed to properly instruct their employees to evaluate the injuries and collisions and incidents involving the Ignition Switch;
- (k) they failed to review and evaluate the collisions and incidents and complaints about the Ignition Switch;
- (l) they failed to initiate timely review, evaluation and investigation of the Ignition Switch and its failure following complaints, injuries and deaths if a malfunction occurred;
- (m) they failed to review, evaluate, and maintain all records of written and oral complaints relative to the reliability, safety, effectiveness and performance of the Ignition Switch;
- (n) they failed to implement a safety recall until July 4, 2014;
- (o) they knew or ought have known that the Vehicles suffered from this design defect in the Ignition Switch;
- (p) they failed to conform with good manufacturing practices;
- (q) they hired incompetent personnel;
- (r) they failed to properly supervise their employees;
- (s) they knew or ought to have known from reports to them that the Ignition Switch can move out of the 'run' position if the key ring is subjected to a

jarring event and present a risk to the safety of the drivers, passengers and the public;

- (t) they failed to protect the Class Members and the public;
- (u) they failed to make full, frank and complete disclosure to the regulators, the public, their customers and the Class Members;
- (v) they failed to institute a proper risk/management system;
- (w) they continued to assemble vehicles with the Ignition Switch, notwithstanding they knew it was defective;
- (x) they continued to use the defective Ignition Switch as a replacement part when servicing any of the Vehicles assembled with the New Ignition Switch;
- (y) they failed, until July 4, 2014, to adequately warn owners and drivers of the Vehicles that there was a serious risk of injury associated with the Vehicles; and
- (z) they failed to exercise reasonable care and judgment.

ADMISSION BY GM'S CEO

39. Barra is GM's CEO. On June 30, 2014, Barra stated in the press release quoted above: "Our customers deserve more than we delivered in these vehicles". The Class Members agree.

40. Further in that press release, GM and GMC admitted that they were aware of crashes and injuries in the models of the Vehicles they recalled for inadvertent ignition key rotation. Notwithstanding their investigation of the causes of these crashes,

GM and GMC acknowledge that they do not know whether the Ignition Switch defect was the cause of those crashes:

Among these recalled vehicles, GM is aware of seven crashes, eight injuries and three fatalities. The fatal crashes occurred in older model full-size sedans being recalled for inadvertent ignition key rotation. There is no conclusive evidence that the defect condition caused those crashes.

41. Barra's statements are an admission against the interest of "old" GM, "new" GM and GMC. They are an admission that GM and GMC were in breach of the standard of conduct (care) in manufacturing and maintaining the Vehicles. They are also an admission of a breach of the standard of conduct (care) in the safety aspects to the drivers and passengers in the Vehicles to the public in Canada and the US and to the regulators in Canada and the US.

GENERAL AND SPECIAL DAMAGES

42. As a result of the dangerous defect in the Ignition Switch in the Vehicles, and the failure by GM and GMC to disclose this safety issue about Ignition Switch until July 4, 2014, the Class has suffered and will continue to suffer damages. The value of each of the Vehicles is reduced. Each Class Member must expend the time to have his/her Vehicle repaired and be without their motor vehicles. GM and GMC should compensate each Class Member for their child care costs, income and other losses and inconvenience. Some Class Members have incurred out of pocket expenses for, among other things, alternative transportation and prior repairs to the Ignition Switch.

43. The Plaintiff has driven her Vehicle less than she otherwise would due to fear of being involved in a collision. She has taken taxis and public transportation. She has incurred expenses.

44. The Class Members cannot get the Ignition Switch repaired immediately because GM and GMC do not have the parts and service capability to repair their Vehicles. The Class Members must drive a dangerous Vehicle. They are entitled to have GMC supply a replacement vehicle or a “courtesy car” until GMC fixes the Ignition Switch at no cost to the Class Members as a matter of course, and not only at the request and effort of the Class Members.

45. The Plaintiff pleads that the Class Members’ damages were sustained in Ontario and in the rest of Canada.

PUNITIVE DAMAGES

46. GM’s conduct and GMC’s conduct described above was arrogant, high-handed, outrageous, reckless, wanton, entirely without care, deliberate, secretive, callous, willful, disgraceful, in contemptuous disregard of the Class’ rights, intentionally disregarded the interests of the Class Members and the public. For such abhorrent conduct and motivated by economic consideration, GM and GMC are liable to pay punitive and aggravated damages.

THE RELEVANT STATUTES

47. The Plaintiff pleads and relies upon the provisions of the *CPA*, *CJA* and *Motor Vehicle Safety Act*.

PLACE OF TRIAL

48. The Plaintiff proposes that this action be tried in the City of Windsor.

SERVICE

49. This originating process may be served without court order outside Ontario in that the claim is:

- (a) in respect of a tort committed in Ontario (rule 17.02(g));
- (b) against a person carrying on business in Ontario (rule 17.02(p)).

September 10, 2014

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WENDY SCOBIE
Plaintiff

-and- GENERAL MOTORS OF CANADA LIMITED et al.
Defendants

CW-14-21250
CP
Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT
WINDSOR

STATEMENT OF CLAIM

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