IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF MICHIGAN SOUTHERN DIVISION

RICHARD FRANCIS, CHARLES AIKEN, NEIL AMBROSIO, MICHAEL BANKS, MARIA BARALLARDOS, STEVEN BRACK, JAMES PAUL BROWNE, CLYDE CHENG, GUY CLARK, TROY COULSON, KIMBERLY COULSON, NICOLETTE COVEY, DARRIN DEGRAND, DANIEL DRAIN, DENNIS DUFFY, DONALD DYKSHORN, JON ELLARD, JIMMY FLOWERS, SAMUEL FORD, KARINA FREDO, WILLIAM FREDO, RICHARD FREEMAN, CHARLES GRAFF, LISA MARIE GRAFF, TIMOTHY GRAFRATH, WILLIAM GROSSMAN, MARISELLA GUTIERREZ, JIMMY HARMAN, CHI KIM HO, PHIL HOUK, JAY HULL, RANDALL JACOBS, CARL JOHNSEN, COLTON KELLY, MARK KIDD, TAURUS KING, CHRISTOPHER KRULL, CHARLES LARSEN, BRIAN LLOYD, MARC MAZZA, ANDRE MCOUADE, RHIANNA MEYERS, RICHARD NOONAN, JAMES NORVELL, MICHAEL PLAFKER, MICHAEL PONDER, LOUIS RAY, JEFFREY RICE, ARIF SHAKOOR, KEITH SHELTON, KAREN SHELTON, CARY SHERROW, RICHARD "TERRY" SHOPE, DONALD SICURA, JOSEPH

Civil Action No.

2:19-cv-11044

CONSOLIDATED AMENDED CLASS ACTION COMPLAINT

JURY TRIAL DEMANDED

Hon. David M. Lawson Magistrate Judge David R. Grand SIERCHIO, JASON "KEVIN"
SINCLAIR, DENNIS SPEERLY,
RICHARD SULLIVAN, MICHAEL
SYLVESTER, TAIT THOMAS, PHILIP
WEEKS, KEVIN WESLEY, PHILIP
WHICKER, WESLEY WON, and
HOWARD YOUNG, individually and on
behalf of all others similarly situated,
Plaintiffs,

v.

GENERAL MOTORS, LLC,

Defendant.

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RICHARD FRANCIS, CHARLES 1. **Plaintiffs** AIKEN, NEIL AMBROSIO, MICHAEL BANKS, MARIA BARALLARDOS, STEVEN BRACK, JAMES PAUL BROWNE, CLYDE CHENG, GUY CLARK, TROY COULSON, KIMBERLY COULSON, NICOLETTE COVEY, DARRIN DEGRAND, DANIEL DRAIN, DENNIS DUFFY, DONALD DYKSHORN, JON ELLARD, JIMMY FLOWERS, SAMUEL FORD, KARINA FREDO, WILLIAM FREDO, RICHARD FREEMAN. CHARLES GRAFF. LISA MARIE GRAFF. TIMOTHY GRAFRATH, WILLIAM GROSSMAN, MARISELLA GUTIERREZ, JIMMY HARMAN, CHI KIM HO, PHIL HOUK, JAY HULL, RANDALL JACOBS, CARL JOHNSEN, COLTON KELLY, MARK KIDD, TAURUS KING, CHRISTOPHER KRULL, CHARLES LARSEN, BRIAN LLOYD, MARC MAZZA, ANDRE MCQUADE, RHIANNA MEYERS, RICHARD NOONAN, JAMES NORVELL, MICHAEL PLAFKER, MICHAEL PONDER, LOUIS RAY, JEFFREY RICE, ARIF SHAKOOR, KEITH SHELTON, KAREN SHELTON, CARY SHERROW, RICHARD "TERRY" SHOPE, DONALD SICURA, JOSEPH SIERCHIO, JASON SINCLAIR, DENNIS SPEERLY, RICHARD SULLIVAN, MICHAEL SYLVESTER, TAIT THOMAS, PHILIP WEEKS, PHILIP WHICKER, KEVIN WESLEY, WESLEY WON, and HOWARD YOUNG ("Plaintiffs"), for themselves and on behalf of all others similarly situated, bring this action against General Motors, LLC ("GM" or "Defendant"). Plaintiffs allege the following based on personal knowledge as to their own acts and on the investigation conducted by their counsel as to all other allegations:

NATURE OF THE ACTION

2. This proposed class action is brought by new and used purchasers and lessees from across the United States who allege that GM concealed a known defect

from its customers in the United States who purchased or leased any vehicle designed manufactured, marketed, distributed, sold, warranted and serviced by GM and equipped with GM's Hydra-Matic 8L90 transmission or Hydra-Matic 8L45 transmission (collectively, "Class Vehicles"). The 8L90 and 8L45 transmissions are defective, posing serious safety concerns. These include: the 2015-2019 Chevrolet Silverado; the 2017-2019 Chevrolet Colorado; the 2015-2019 Chevrolet Corvette; the 2016-2019 Chevrolet Camaro; the 2015-2019 Cadillac Escalade and Escalade ESV; the 2016-2019 Cadillac ATS, ATS-V, CTS, CT6, and CTS-V; the 2015-2019 GMC Sierra, Yukon, and Yukon XL, and Yukon Denali XL; and the 2017-2019 GMC Canyon.

- 3. This action arises from Defendant's failure, despite its longstanding knowledge, to disclose to Plaintiffs and other similarly situated customers that the Class Vehicles have defective transmissions that fail to function in a safe and reliable manner as expected.
- 4. As explained below, the Class Vehicles were sold with a defective 8L90 or 8L45 Transmissions that, among other things, slip, buck, kick, jerk and harshly engage, suffer abnormal internal wear, sudden acceleration, delay in downshifts, delayed acceleration, difficulty stopping the vehicle, and eventually require replacement of the transmission or its components (the "Transmission Defect").
- 5. This defect, which manifests itself within the limited warranty period or shortly after the limited warranty period expires, can cause unsafe conditions in the Class Vehicles, including but not limited vehicles suddenly lurching forward, sudden loss of forward propulsion, and significant delays in acceleration. These conditions present a safety hazard because they severely affect the driver's ability to control the vehicle's speed, acceleration, and deceleration.
- 6. The shuddering, shaking, jerking and hesitation is related to internal issues within the transmission and/or torque converter causing undue friction and

impairing proper functioning of hydraulic systems and gears, which in turn results in metal shavings being circulated throughout the transmission. This damage to the transmission and torque converter imposes escalating repairs upon consumers, including the need to flush the metal shavings from the transmission.

- 7. GM expressly warranted the following: "The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Accordingly, the warranty covers all defects except for "slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Because the Transmission Defect does not fall into any of the above excluded categories, it is covered under GM's express warranty. However, when Class Members bring their vehicles to GM's authorized agents for repair, they are either told that their vehicles are behaving normally, given ineffective repairs, or are having their transmissions or components replaced with the same defective parts.
- 8. Defendant knew, or should have known, of this critical defect at the time of sale or shortly thereafter when numerous members of the putative class began complaining of the defect at Defendant's authorized dealerships. Yet, notwithstanding this knowledge, GM has routinely failed to repair the Class Vehicles without charge when the defect manifests. Moreover, GM failed to disclose the Transmission Defect to Plaintiff and Class members through its advertising, including on vehicle window stickers or at the point of sale or lease.
- 9. GM, an experienced and sophisticated vehicle manufacturer, learned of the Transmission Defect through, *inter alia*, (1) prior issues from its vehicles equipped with 6L transmissions that suffered from similarly problems; (2) records from the National Highway Traffic Safety Administration ("NHTSA"), (3) customer complaints posted on internet forums, (4) its own records of customers' complaints,

- (5) dealership repair records and requests for technical assistance, (6) warranty and post-warranty claims, (7) pre- and post-release internal durability testing, (8) Service Bulletins, (9) its Customer Satisfaction Program, and (10) other various sources. However, GM failed to notify consumers prior to purchase of the nature and extent of the Transmission Defect plaguing Class Vehicles or provide any adequate post-purchase remedy.
- 10. GM's efforts have been entirely inadequate in resolving the Transmission Defect or providing relief to the Class. Moreover, GM has failed to alert the Class Members of the true and unsafe nature of the Transmission Defect.
- 11. Despite knowledge conveyed to Defendant by information from its affiliated dealerships, National Highway Traffic Safety Administration ("NHTSA") consumer complaints, and its own internal records, including durability testing, Defendant did not alert purchasers or lessees before their transactions, has not recalled the Class Vehicles to repair the defective transmissions, or offered its customers suitable repairs free of charge, or offered to reimburse consumers forced to pay for the repairs out-of-pocket.
- 12. In fact, rather than repairing the defective components and installing non-defective components, GM provides ineffectual or insufficient software updates, part replacements, and other procedures that fail to fully resolve the defects. Further, Class Vehicle owners and lessees incur or will incur out-of-pocket costs for these repairs once the Vehicles are out of warranty. GM thus unfairly shifts the costs to the Class Members, and benefits or will benefit from the revenue generated by repeat repairs. Accordingly, consumers will be required to pay hundreds, if not thousands, of dollars to repair or replace the transmissions, related components, or other parts that become damaged because of the Transmission Defect, and GM is unjustly enriched at their expense.
 - 13. In many instances, GM has never been able to repair the transmission.

On information and belief, owners have complained of dangerous driving conditions and near-accidents because of the Transmission Defect. However, GM continues to sell the dangerously defective vehicles to consumers.

14. Because of Defendant's misconduct, Plaintiffs and Class Members have been damaged 1) at the point of sale by overpaying for the purchase or lease of the Subject Vehicles, 2) at the resale value due to diminished resale prices; and 3) eventually if not already, the costs of repairing the Vehicles.

JURISDICTION AND VENUE

- 15. This action is properly before this Court and this Court has subject matter jurisdiction over this action under the Class Action Fairness Act. At least one member of the proposed class is a citizen of a different state than GM, the number of proposed class members exceeds 100, and the amount in controversy exceeds the sum or value of \$5,000,000.00 exclusive of interests and costs. 28 U.S.C. § 1332(d)(2)(A).
- 16. In addition, under 28 U.S.C. § 1367, this Court may exercise supplemental jurisdiction over the state law claims because all of the claims are derived from a common nucleus of operative facts and are such that Plaintiffs would ordinarily expect to try them in one judicial proceeding.
- 17. This Court has personal jurisdiction over Defendant because it is headquartered in the State of Michigan; has consented to jurisdiction by registering to conduct business in the state; maintains sufficient minimum contacts in Michigan; and otherwise intentionally avails itself of the markets within Michigan through promotion, sale, marketing and distribution of its vehicles, which renders the exercise of jurisdiction by this Court proper and necessary as GM is "at home" in Michigan.
 - 18. Venue is proper in this District pursuant to 28 U.S.C. § 1391(a)-(c). A

substantial part of the events or omissions giving rise to the claims occurred in this District. Plaintiffs may properly sue GM in this District, where GM is headquartered.

THE PARTIES

- 19. Plaintiff Charles Aiken is a citizen and resident of Pennsylvania, over the age of eighteen. Plaintiff Aiken purchased a new 2019 Chevrolet Silverado, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about December 15, 2018.
- 20. Plaintiff Neil Ambrosio is a citizen and resident of Florida, over the age of eighteen years. Plaintiff Ambrosio leased a new 2017 GMC Sierra Denali, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about December 30, 2016.
- 21. Plaintiff Michael Banks is a citizen and resident of New Hampshire, over the age of eighteen. Plaintiff Banks purchased a new 2017 GMC Sierra Denali, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about March 20, 2017
- 22. Plaintiff Maria Barallardos is a citizen and resident of Arizona, over the age of eighteen. Plaintiff Barallardos purchased a used 2015 Cadillac Escalade, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about July 10, 20
- 23. Plaintiff Steven Brack is a citizen and resident of North Carolina, over the age of eighteen. Plaintiff Brack purchased a new 2018 Chevrolet Silverado, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about July 31, 2018.
- 24. Plaintiff James Paul Browne is a citizen and resident of Illinois, over the age of eighteen. Plaintiff Browne purchased a Used 2017 GMC Sierra manufactured by GM and containing an 8L90 or 8L45 transmission, on or about

November 5, 2018 in Arkansas.

- 25. Plaintiff Clyde Cheng is a citizen and resident of California, over the age of eighteen years. Plaintiff Cheng purchased a new 2016 GMC Sierra, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about December 8, 2015.
- 26. Plaintiff Guy Clark is a citizen and resident of Kansas, over the age of eighteen. Plaintiff Clark purchased a new 2017 GMC Sierra, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about January 21, 2017.
- 27. Plaintiffs Troy and Kimberly Coulson are citizens and residents of Minnesota, over the age of eighteen. Plaintiffs Troy and Kimberly Coulson purchased a new 2017 GMC Sierra 1500, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about June 26, 2017.
- 28. Plaintiff Nicolette Covey is a citizen and resident of Montana, over the age of eighteen. Plaintiff Covey purchased a new 2015 Cadillac Escalade, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about February 13, 2015 from an authorized GM dealership in Pasco, Washington.
- 29. Plaintiff Darrin Degrand is a citizen and resident of Texas, over the age of eighteen years. Plaintiff Degrand purchased a new 2018 GMC Canyon, manufactured by GM and containing an 8L90 or 8L45 transmission, in July 13,2018.
- 30. Plaintiff Daniel Drain is a citizen and resident of Colorado, over the age of eighteen. Plaintiff Drain purchased a new 2018 GMC Sierra, manufactured by GM and containing an 8L90 or 8L45 transmission, on or around June 29, 2018.
- 31. Plaintiff Dennis Duffy is a citizen and resident of Florida, over the age of eighteen years. Plaintiff Duffy purchased a new 2016 Yukon Denali, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about August 10, 2016.
- 32. Plaintiff Donald Dykshorn is a citizen and resident of Louisiana, over the age of eighteen. Plaintiff Dykshorn purchased a new 2016 Chevrolet Camaro,

manufactured by GM and containing an 8L90 or 8L45 transmission, on or about October 8, 2016.

- 33. Plaintiff Jon Ellard is a citizen and resident of Oklahoma, over the age of eighteen. Plaintiff Ellard purchased a new 2016 GMC Sierra, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about June 29, 2016.
- 34. Plaintiff Jimmy Flowers is a citizen and resident of Georgia, over the age of eighteen. Plaintiff Flowers purchased a new 2018 Chevrolet Colorado, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about September 29, 2018.
- 35. Plaintiff Richard Francis is a citizen and resident of Michigan, over the age of eighteen years. Plaintiff Francis purchased a new 2017 Yukon Denali, manufactured by GM and containing an 8L90 or 8L45 transmission, in August 22, 2017.
- 36. Plaintiffs Karina and William Fredo are citizens and residents of Pennsylvania, over the age of eighteen. Plaintiffs Karina and William Fredo purchased a new 2015 Cadillac Escalade, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about July 8, 2017.
- 37. Plaintiff Richard Freeman is a citizen and resident of Georgia, over the age of eighteen. Plaintiff Freeman purchased a new 2017 GMC Canyon, manufactured by GM and containing an 8L90 or 8L45 transmission, on or around in or around November 2017.
- 38. Plaintiff Samuel Ford is a citizen and resident of Indiana, over the age of eighteen. Plaintiff Ford leased a new 2018 Chevrolet Silverado 1500, manufactured by GM and containing an 8L90 or 8L45 transmission, in or around May 2018.
- 39. Plaintiffs Charles and Lisa Marie Graff are a citizens and residents of Florida, over the age of eighteen. Plaintiffs Charles and Lisa Marie Graff purchased

a new 2018 Chevrolet Silverado manufactured by GM and containing an 8L90 or 8L45 transmission, on or about November 9, 2018.

- 40. Plaintiff Timothy Grafrath is a citizen and resident of Illinois, over the age of eighteen. Plaintiff Grafrath purchased a new 2017 GMC Sierra, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about September 20, 2016.
- 41. Plaintiff William Grossman is a citizen and resident of New Jersey, over the age of eighteen. Plaintiff Grossman purchased a new 2016 Chevrolet Camaro, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about December 6, 2016.
- 42. Plaintiff Marisella Gutierrez is a citizen and resident of Georgia, over the age of eighteen. Plaintiff Gutierrez purchased a new 2017 Chevrolet Silverado, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about November 2017 from an authorized Chevrolet dealership in San Angelo, Texas.
- 43. Plaintiff Jimmy Harman is a citizen and resident of North Carolina, over the age of eighteen. Plaintiff Harman purchased a new 2017 GMC Denali, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about April 2017.
- 44. Plaintiff Chi Kim Ho is a citizen and resident of Ohio, over the age of eighteen. Plaintiff Ho purchased a new 2016 Cadillac Escalade ESV, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about March 12, 2016.
- 45. Plaintiff Phil Houk is a citizen and resident of Wisconsin, over the age of eighteen. Plaintiff Houk purchased a used 2017 Chevrolet Camaro, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about September 14, 2018.
- 46. Plaintiff Jay Hull is a citizen and resident of Michigan, over the age of eighteen. Plaintiff Hull purchased a new 2017 Chevrolet Silverado, manufactured

by GM and containing an 8L90 or 8L45 transmission, on or about February 21, 2017.

- 47. Plaintiff Randall Jacobs is a citizen and resident of New Jersey, over the age of eighteen. Plaintiff Jacobs purchased a new 2016 Cadillac CT6, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about August 23, 2016.
- 48. Plaintiff Carl Johnson is a citizen and resident of Maine, over the age of eighteen. Plaintiff Johnson purchased a new 2018 Chevrolet Silverado, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about December 17, 2018.
- 49. Plaintiff Colton Kelly is a citizen and resident of Nevada, over the age of eighteen. Plaintiff Kelly purchased a new 2017 Chevrolet Silverado 1500, manufactured by GM and containing an 8L90 or 8L45 transmission, in or around December 2017 from an authorized Chevrolet dealership in Rapid City, South Dakota.
- 50. Plaintiff Mark Kidd is a citizen and resident of Tennessee, over the age of eighteen. Plaintiff Kidd purchased a used 2016 GMC Sierra, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about June 2017.
- 51. Plaintiff Taurus King is a citizen and resident of Texas, over the age of eighteen. Plaintiff King purchased a new 2019 Chevrolet Silverado, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about September 2, 2019.
- 52. Plaintiff Christopher Krull is a citizen and resident of Missouri, over the age of eighteen. Plaintiff Krull purchased a new 2016 Cadillac CT6, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about February 25, 2017.
- 53. Plaintiff Charles Larsen is a citizen and resident of New York, over the age of eighteen. Plaintiff Larsen purchased a new 2015 GMC Sierra, manufactured

by GM and containing an 8L90 or 8L45 transmission, on or about June 20, 2015.

- 54. Plaintiff Brian Lloyd is a citizen and resident of Alabama, over the age of eighteen. Plaintiff Lloyd purchased a new 2016 Chevrolet Camaro, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about May 11, 2016.
- 55. Plaintiff Marc Mazza is a citizen and resident of New York, over the age of eighteen. Plaintiff Mazza purchased a new 2017 GMC Sierra, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about March 27, 2017.
- 56. Plaintiff Andre McQuade is a citizen and resident of New York, over the age of eighteen. Plaintiff McQuade purchased a certified pre-owned 2017 Cadillac CTS, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about May 4, 2018.
- 57. Plaintiff Rhianna Meyers is a citizen and resident of Florida, over the age of eighteen. Plaintiff Meyers purchased a New 2017 Chevrolet Camaro, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about March 22, 2017.
- 58. Plaintiff Richard Noonan is a citizen and resident of Missouri, over the age of eighteen. Plaintiff Noonan purchased a used 2015 Cadillac Escalade, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about January 18, 2018.
- 59. Plaintiff James Norvell is a citizen and resident of Kentucky. Plaintiff Norvell purchased a new 2018 Chevrolet Colorado, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about May 2018.
- 60. Plaintiff Michael Plafker is a citizen and resident of New York, over the age of eighteen years. Plaintiff Plafker leased a new 2017 GMC Sierra Denali, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about September 8, 2017.
 - 61. Plaintiff Michael Ponder is a citizen and resident of Florida, over the

age of eighteen. Plaintiff Ponder purchased a New 2018 Chevrolet Camaro, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about April 21, 2018.

- 62. Plaintiff Louis Ray is a citizen and resident of Michigan, over the age of eighteen. Plaintiff Ray purchased a used 2015 Cadillac Escalade, manufactured by GM and containing an 8L90 or 8L45 transmission, in or around August 14, 2017.
- 63. Plaintiff Jeffrey Rice is a citizen and resident of Ohio, over the age of eighteen. Plaintiff Rice purchased a new 2018 Chevrolet Silverado, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about October 25, 2018.
- 64. Plaintiff Arif Shakoor is a citizen and resident of Florida, over the age of eighteen. Plaintiff Shakoor purchased a New 2015 GMC Denali, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about May 11, 2015.
- 65. Plaintiffs Keith Shelton and Karen Shelton are citizens and residents of Delaware, over the age of eighteen. Plaintiffs Keith and Karen Shelton purchased a new 2018 Chevrolet Silverado 1500, manufactured by GM and containing an 8L90 or 8L45 transmission, in or around August 2018.
- 66. Plaintiff Cary Sherrow is a citizen and resident of Oregon, over the age of eighteen. Plaintiff Sherrow purchased a new 2017 GMC Sierra, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about August 15, 2017 from an authorized GM and Chevrolet dealership in Kellogg, Idaho.
- 67. Plaintiff Richard Terry Shope is a citizen and resident of North Carolina, over the age of eighteen. Plaintiff Shope purchased a new 2018 Chevrolet Camaro, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about August 10, 2018.
- 68. Plaintiff Donald Sicura is a citizen and resident of South Carolina, over the age of eighteen. Plaintiff Sicura purchased a new 2015 Chevrolet Corvette, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about

March 6, 2015.

- 69. Plaintiff Joseph Sierchio is a citizen and resident of New Jersey, over the age of eighteen years. Plaintiff Sierchio purchased a new 2016 Chevrolet Camaro, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about July 9, 2016.
- 70. Plaintiff Jason "Kevin" Sinclair is a citizen and resident of South Carolina, over the age of eighteen. Plaintiff Sinclair purchased a new 2017 GMC Sierra, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about May 1, 2017 from an authorized GM dealership in Salisbury, North Carolina.
- 71. Plaintiff Dennis Speerly is a citizen and resident of Illinois, over the age of eighteen years. Plaintiff Speerly purchased a new 2017 GMC Canyon, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about April 14, 2017.
- 72. Plaintiff Richard Sullivan is a citizen and resident of Florida, over the age of eighteen years. Plaintiff Sullivan purchased a new 2015 Chevrolet Corvette Stingray, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about November 1, 2015.
- 73. Plaintiff Michael Sylvester is a citizen and resident of New York, over the age of eighteen. Plaintiff Sylvester purchased a new 2018 Cadillac CT6, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about March 5, 2018.
- 74. Plaintiff Tait Thomas is a citizen and resident of Florida, over the age of eighteen. Plaintiff Thomas purchased a New 2015 Chevrolet Corvette, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about September 28, 2014.
- 75. Plaintiff Philip Weeks is a citizen and resident of Georgia, over the age of eighteen. Plaintiff Weeks purchased a new 2018 Cadillac CT6, manufactured by

GM and containing an 8L90 or 8L45 transmission, on or about December 18, 2018.

- 76. Plaintiff Kevin Wesley is a citizen and resident of Connecticut, over the age of eighteen. Plaintiff Wesley purchased a new 2017 Chevy Colorado, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about November 2018.
- 77. Plaintiff Philip Whicker is a citizen and resident of Indiana, over the age of eighteen. Plaintiff Whicker purchased a new 2017 Chevrolet Corvette, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about May 15, 2017.
- 78. Plaintiff Wesley Won is a citizen and resident of California, over the age of eighteen years. Plaintiff purchased a new 2016 Cadillac Escalade, manufactured by GM and containing an 8L90 or 8L45 transmission, on May 11, 2017.
- 79. Plaintiff Howard Young is a citizen and resident of Texas, over the age of eighteen years. Plaintiff Young purchased a new 2015 Chevrolet Corvette, manufactured by GM and containing an 8L90 or 8L45 transmission, on or about May 12, 2015 from an authorized Chevrolet dealership in Olean, New York.
- 80. Defendant General Motors LLC is a Delaware limited liability company with its principal place of business located at 300 Renaissance Center, Detroit, Michigan 48265. The sole member and owner of General Motors LLC is General Motors Holdings LLC. General Motors Holdings LLC is a Delaware limited liability company with its principal place of business in the State of Michigan. General Motors Holdings LLC's only member is General Motors Company, a Delaware corporation with its principal place of business in the State of Michigan. General Motors Company has 100% ownership interest in General Motors Holdings LLC.
 - 81. General Motors LLC, itself and through its affiliates, designs,

manufactures, markets, distributes, services, repairs, sells, and leases passenger vehicles, including the Class Vehicles, nationwide and in Michigan. General Motors LLC is the warrantor and distributor of the Class Vehicles in the United States.

82. At all relevant times, Defendant was and is engaged in the business of designing, manufacturing, constructing, assembling, marketing, distributing, and selling automobiles and motor vehicle components in Michigan and throughout the United States of America.

FACTUAL ALLEGATIONS

- 83. GM designs, manufactures, markets, distributes, and warrants automobiles in the United States sold under various brand names, including the Buick, Cadillac, Chevrolet, and GMC brands. In 2018, GM sold 2,954,037 vehicles in the United States alone and "had the number one market share in . . . North America[.]" (*See* Ex. 1, General Motors Company 2018 Annual Report (Form 10-K) at 2).
- 84. GM has thousands of authorized dealerships across the United States, all of which are under GM's control. GM authorizes these dealerships to sell GM vehicles, parts, and accessories and to service and repair GM vehicles using GM parts. (*Id.* at 3.)
- 85. Since 2014, GM has designed, manufactured, distributed, sold, and leased the Class Vehicles, which include the 2015-2019 Chevrolet Silverado; the 2017-2019 Chevrolet Colorado; the 2015-2019 Chevrolet Corvette; the 2016-2019 Chevrolet Camaro; the 2015-2019 Cadillac Escalade and Escalade ESV; the 2016-2019 Cadillac ATS, ATS-V, CTS, CT6, and CTS-V; the 2015-2019 GMC Sierra, Yukon, and Yukon XL, and Yukon Denali XL; and the 2017-2019 GMC Canyon. GM has sold, directly or indirectly, through dealers and other retail outlets, hundreds of thousands of Class Vehicles equipped with the 8L90 or 8L45 transmissions.

- 86. GM provided all purchasers of the Class Vehicles with a New Vehicle Limited Warranty with the purchase or lease of the Class Vehicles.
- 87. The New Vehicle Limited Warranty for Cadillac-brand Class Vehicles ("Cadillac Warranty"), which included a "Bumper-to-Bumper" warranty and a Powertrain warranty, stated in relevant part:

What Is Covered

Warranty Applies

This warranty is for GM vehicles registered in the United States and normally operated in the United States, and is provided to the original and any subsequent owners of the vehicle during the warranty period.

Repairs Covered

The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period. Needed repairs will be performed using new, remanufactured, or refurbished parts.

No Charge

Warranty repairs, including towing, parts, and labor, will be made at no charge.

Obtaining Repairs

To obtain warranty repairs, take the vehicle to a Cadillac dealer facility within the warranty period and request the needed repairs. Reasonable time must be allowed for the dealer to perform necessary repairs.

Warranty Period

The warranty period for all coverages begins on the date the vehicle is first delivered or put in use and ends at the expiration of the coverage period.

Bumper-to-Bumper Coverage

The complete vehicle is covered for 4 years or 50,000 miles, whichever comes first, except for other coverages listed here under "What Is Covered" and those items listed under "What Is Not Covered" later in this section.

Powertrain Component Warranty Coverage.

The powertrain is covered for 7 years or 70,000 miles, whichever comes first, except for other coverages listed here under "What Is Covered" and those items listed under "What Is Not Covered" later in this section.

Transmission/Transaxle Coverage includes: All internally lubricated parts, case, torque converter, mounts, seals, and gaskets as well as any electrical components internal to the transmission/ transaxle. Also covered are any actuators directly connected to the transmission (slave cylinder, etc.).

Exclusions: Excluded from the powertrain coverage are transmission cooling lines, hoses, radiator, sensors, wiring, and electrical connectors. Also excluded are the clutch and pressure plate as well as any Transmission Control Module and/or module programming.

Other Terms: This warranty gives you specific legal rights and you may also have other rights which vary from state to state. GM does not authorize any person to create for it any other obligation or liability in connection with these vehicles. Any implied warranty of merchantability or fitness for a particular purpose applicable to this vehicle is limited in duration to the duration of this written warranty. Performance of repairs and needed adjustments is the exclusive remedy under this written warranty or any implied warranty. GM shall not be liable for incidental or consequential damages, such as, but not limited to, lost wages or vehicle rental expenses, resulting from breach of

this written warranty. (*See* Ex. 2, 2015 Cadillac Limited Warranty and Owner Assistance Information at 2, 4, 12.)

- 88. The New Vehicle Limited Warranty for Chevrolet and GM-brand Class Vehicles ("Chevrolet/GM Warranty") included substantially the same terms as the Cadillac Warranty terms excerpted above, except that the Chevrolet/GM Warranty's "Bumper-to-Bumper" coverage period was limited to "the first 3 years or 36,000 miles, whichever comes first," and the Powertrain warranty coverage period was limited to "5 years or 60,000 miles, whichever comes first." (*See, e.g.*, Ex. 3, 2016 Chevrolet Limited Warranty and Owner Assistance Information at 2, 4, 14.)
- 89. The warranties and representations contained in the Cadillac Warranty and the Chevrolet/GM Warranty (collectively, the "Warranties") were and are material to Plaintiffs because Plaintiffs would not have purchased their Class Vehicles or would not have paid as much as they did if the transmissions in their Class Vehicles were not covered by a full warranty.

A. The Defective Eight-Speed Automatic Transmissions (GM 8L90 and 8L45)

- 90. In January 2014, GM began marketing the release of a new, eight-speed automatic transmission to be included in some of its vehicles for model year 2015. GM-brand vehicles for model years 2014 and older had automatic transmissions of six or fewer speeds.
- 91. The engines in the Class Vehicles produce power and then send that power to the 8L90 or 8L45 automatic transmission. The transmission then takes that power and delivers it to the rear drive transmissions of the Class Vehicle, while ensuring the engine stays within predetermined RPMs. The transmission also seeks to maximize the efficiency of the Class Vehicles' engines by balancing fuel consumption and torque.

- 92. As background, transmissions use toothed gears that interact with each other to produce torque. The term "gear ratio" refers to the relationship between gears. For example, if an input gear has 20 teeth and it interacts with an output gear that has 10 teeth, the 10-tooth gear must spin twice to fully spin the 20-tooth gear. A gear ratio is then calculated by taking the number of teeth on the output gear and dividing it by the input gear. In this example, the gear ratio would be 1:2 (typically expressed as 0.5:1).
- 93. Automatic transmissions automate the switching of gears using multiplate clutches, which adjust according the speed that the vehicle is traveling. Thus, instead of manually operating a clutch, the vehicle's transmission constantly monitors and engages and disengages gears according to the speed at which the vehicle is moving. This is done through the use of fluid pressure, which provides the necessary pressure to activate clutches and bands that in turn determines what gear to engage.
- 94. GM marketed and sold its new eight-speed automatic transmissions as having "world-class performance" rivaling top performance vehicles, lightning-fast and smooth shifting, along with improved fuel efficiency, among other representations. (*See* Ex. 4, GM press release, "New 8-Speed Enables Quicker, More Efficient Corvette." August 20, 2014.)
- 95. For instance, GM's own press release dated January 13, 2014 introduced the new 8L90 transmission as being "tuned for world-class shift-response times," and "deliver[ing] shift performance that rivals the dual-clutch/semi-automatic transmissions found in many supercars but with the smoothness and refinement that comes with a conventional automatic fitted with a torque converter." In addition, the technology and design of the new 8L90 transmission "help make the new [Corvette] Z06 surprisingly fuel efficient." (*See* Ex. 5, GM press release, "2015 Chevrolet Corvette Z06 is Most Capable, Ever." January 13, 2014). GM touted

similar characteristics for its 8L45 transmission in press releases in 2015. (*See* Ex. 6, GM press release, "2016 Camaro's Driving Fun Rooted in New Powertrains." May 16, 2015; Ex. 7, GM press release, "Cadillac CT6 to Debut Next Generation Powertrain." March 23, 2015).

96. In another GM press release, GM continued to represent the high quality of the new eight-speed automatic transmission:

In fact, in the 2015 Corvette Stingray, [8L90 transmission] enables a class-leading 29-mpg EPA highway estimate – a 3.5-percent increase in fuel economy over the previous six-speed automatic – and a quicker 0-60 time of 3.7 seconds, all while delivering wide-open-throttle upshifts quicker than those of the dual-clutch transmission offered in the Porsche 911.

"GM's new 8L90 eight-speed automatic represents a rare winwin-win scenario for customers," said Kavoos Kaveh, global chief engineer for eight-speed automatic transmissions. "It offers greater performance and efficiency, while weighing less than the transmission it replaces. That's a rare accomplishment in the industry today – and one for which GM has been awarded more than two dozen patents."

The lower engine speed reduces fuel consumption, while a new torque converter design enhances refinement, particularly during low-speed gear changes. "The Corvette's new eight-speed automatic delivers the comfort and drivability of a true automatic transmission, as well as lightning-fast shifts and the manual control that enhance the performance-driving experience," said Kaveh. "It was designed to enhance the driving experience, with performance on par with dual-clutch designs, but without sacrificing refinement. . . . Additionally, a torque converter design with a turbine damper complements performance with excellent refinement at low engine speeds."

97. In actuality, however, the 8L90 and 8L45 transmissions deliver

anything but "comfort and drivability[,]" "lightning-fast shifts[,]" and "enhanc[ed] refinement, particularly during low-speed gear changes." In fact, the Transmission Defect in the 8L90 and 8L45 transmissions causes unsafe conditions, including, but not limited to, Class Vehicles suddenly lurching forward, sudden acceleration, delayed acceleration, and sudden loss of forward propulsion. These conditions present a safety hazard because they severely affect the driver's ability to control the car's speed, acceleration, and deceleration. As an example, these conditions may make it difficult to safely merge into traffic, and drivers have reported sudden lurching into intersections when attempting to gradually accelerate from a stopped position and other dangerous driving conditions. Even more troubling, the Transmission Defect can cause the vehicle to delay downshifting and decelerating when the brakes are depressed.

98. On information and belief, the Transmission Defect also causes premature wear to the 8L90 and 8L45 Transmissions' components and other vehicle parts, which can require repeated and/or expensive repairs, including replacement of the transmission and its related components.

B. GM's Knowledge of the Transmission Defect

- 99. As early as September 2014, GM knew or should have known that the 8L90 and 8L45 transmissions were defective and that the Transmission Defect would adversely affect the drivability of the Class Vehicles and cause safety hazards.
- 100. Plaintiffs are informed and believe and based thereon allege that prior to the sale of the Class Vehicles, GM knew, or should have known, about the Transmission Defect: (1) because the 6L transmission on which the 8L transmission is based suffered from similar defects, which GM knew from consumer complaints that formed the basis for *McKee v. General Motors, LLC*, Case No. 18-11303 (E.D. Mich.), and from the litigation itself; and (2) through GM's exclusive knowledge of

non-public, internal data about the Transmission Defect, including: pre-release testing data; (3) early consumer complaints about the Transmission Defect to GM's dealers who are their agents for vehicle repairs; warranty claim data related to the defect; (4) aggregate data from GM's dealers; consumer complaints to the National Highway Traffic Safety Administration ("NHTSA") and resulting notice from NHTSA; (5) dealership repair orders; (6) testing conducted in response to owner or lessee complaints; (7) GM service bulletins applicable to the Class Vehicles that acknowledge the Transmission Defect; and (8) other internal sources of aggregate information about the problem. Nevertheless, Defendant has actively concealed and failed to disclose this defect to Plaintiffs and Class Members at the time of purchase or lease and thereafter.

1. GM's 8L90 and 8L45 Transmissions Suffer from Similar Defects as the 6L50 Transmission

- 101. GM's 8L90 and 8L45 ("8L") transmissions succeeded GM's 6L50 ("6L") transmission, and the two generations of transmissions are similar.
- 102. Consumers who purchased or leased vehicles with the 6L transmission lodged complaints with NHTSA going back as far as 2008, complaining of transmission defects like those later seen in the 8L, including lurching forward and delayed acceleration. Among these, were: "acceleration lag" (NHTSA/ODI ID: 10234780), that "when the vehicle is searching for the correct gear the accelerator pedal is numb for at least 2 seconds requiring at least 90 percent throttle then it finally picks a low gear and violently throws the driver and passengers back and roars to life" (NHTSA/ODI ID: 10922934), "terrible grinding/howling noise at low speed" (NHTSA/ODI ID: 10861242), "rough shifts" (NHTSA/ODI ID: 10883211); instances in which a vehicle will "misfire or be very unresponsive and then clunk and jerk forward once it decides to change gears" (NHTSA/ODI ID: 10910936),

shaking "uncontrollably without warning" (NHTSA/ODI ID: 10946712), "sluggish shifting" (NHTSA/ODI ID: 10995572), and erratic jerking (NHTSA/ODI ID: 10779723). *Id.* at 15, 20, 22, 28, 30, 31, 35.

- 103. The complaints about the 6L transmission defect were so overwhelming that on April 26, 2018 a class action was filed against GM: *McKee v. General Motors, LLC*, Case No. 18-11303 (E.D. Mich.). Among other things, the lawsuit alleged that the 6L transmission caused vehicles to slip, buck, kick, jerk, harshly engage, and delay acceleration. *Id.*, ECF No. 18 at 13.
- 104. It is unknown whether the defect in GM's 6L transmission was caused by issues with the design or with workmanship and materials. However, based on consumer complaints and the ensuing litigation, GM knew or should have known that as successors to the 6L transmission, the 8L transmissions were likely to suffer from a similar defect, or at least monitored the 8L's for similar problems.

2. GM's Own Service Bulletins Demonstrate Its Knowledge of the Transmission Defect as Early as September 1, 2014.

105. From September 2014 to at least February 2019, GM issued at least 60 service bulletins and service bulletin updates ("Service Bulletins," "Technical Service Bulletins," or "TSBs") to its dealers in the United States, but not its customers, acknowledging problems of harsh shifting, shuddering, jerking, clunking, and delays in acceleration or deceleration relating to the 8L90 and 8L45 transmissions.

a. Service Bulletin 14628

106. On or around September 1, 2014, GM issued Service Bulletin 14628 directing technicians "to perform a drive audit on **all** 2015 model year Corvette vehicles in inventory that are equipped with an 8 speed automatic transmission

(M5U)" (emphasis in original). GM's service bulletins refer to the 8L90 transmission at issue by name (8L90), by RPO code (M5U, M5X, or M5E), or by both name and RPO code(s). RPO stands for Regular Production Option and is General Motors' standard coding for vehicle configuration options. GM's service bulletins refer to the 8L45 transmission at issue by name (8L45), by RPO code (M5T or M5N), or by both name and RPO code(s).

107. In the bulletin's section titled "Purpose," GM stated:

A small number of transmissions may develop a crack in the triple clutch housing internal to the transmission, leading to noise, loss of reverse gear, and limiting the driver to 3rd and 4th forward gears. The drive audit must be completed before vehicle delivery (and in addition to normal predelivery inspection activities) to identify vehicles with the condition. If the condition is found, dealers are to replace the transmission under the existing exchange program, see PIP5200A for details.

b. <u>Service Bulletin 14-07-30-001</u>

108. On or around September 1, 2014, GM issued Service Bulletin 14-07-30-001 with the subject "Information on Transmission Adaptive Functions." This bulletin applied to the following vehicle models equipped with 8L90 transmissions (RPO M5U): 2015 Cadillac Escalade, 2015 Cadillac Escalade ESV, 2015 Chevrolet Corvette, and 2015 GMC Yukon. In the bulletin, GM stated that "[s]ome customers may comment on low mileage vehicles with automatic transmission that shift feel to be too firm (harsh) or may slip or flare. Customers should be advised that the transmission makes use of an adaptive function that will help to refine the shift feel while driving and improve shift quality." The bulletin also included description of transmission's adaptive learning functions and a section titled "How to Adapt Your Transmission" containing GM's instructions to train the adaptive learn process "for a concern with a 1-2 upshift" and "for a concern with a 3-1 coastdown (closed

throttle) shift."

- 109. From October 2014 to October 2018, GM subsequently issued seven updates to Service Bulletin 14-07-30-001, numbered 14-07-30-001A through 14-07-30-001G.
- 110. On or around October 8, 2014, GM issued Service Bulletin 14-07-30-001A with the same subject and covered vehicles listed on the previous version. In this bulletin, GM again noted that "[s]ome customers may comment on low mileage vehicles with automatic transmission that shift feel to be too firm (harsh) or may slip or flare." This revised bulletin was issued to provide updated information in the "How to Adapt Your Transmission" section, including a chart of shifts and their corresponding clutches, along with new, more detailed instructions to train the adaptive learn process for each of these clutches.
- 111. On or around December 1, 2014, GM issued Service Bulletin 14-07-30-001B with the subject "Information on Transmission Adaptive Functions and Correcting Low Mileage HarshShift." In addition to the vehicles listed on the previous versions of this bulletin, the following models equipped with 8L90 transmissions were added: 2015 Chevrolet Silverado, 2015 GMC Sierras, and 2015 GMC Yukon XLs. The revised bulletin also included instructions for resetting and "relearning" transmission adapts using diagnostic software ("Transmission Adaptive Values Learn procedure through GDS 2") instead of performing the adaptive instructions while driving the vehicle but noted that the software function would not resolve the issue in 2015 Corvettes built before September 29, 2014, which "must be driven to learn the adapts."
- 112. On or about January 27, 2015, GM issued Service Bulletin 14-07-30-001C with the same subject, the same covered vehicles, and substantially the same information included in the previous version. However, this revised version added a note to the "How to Adapt Your Transmission" section stating that "[t]he

transmission fluid temperature must be between 75°C (167°F) and 85°C (185°F) during the drive procedure or adapts will not be learned."

- 113. On or about May 7, 2015, GM issued Service Bulletin 14-07-30-001D with the same subject and covered vehicles listed on the previous version. In this revised bulletin, GM provided updated instructions for resetting and "relearning" transmission adapts using different diagnostic software, the Transmission Service Fast Learn procedure through GDS 2, as opposed to the Transmission Adaptive Values Learn procedure in previous bulletins.
- 114. On or about July 27, 2015, GM issued Service Bulletin 14-07-30-001E with the same subject and covered vehicles listed on the previous version. It also included substantially the same instructions for resetting and "relearning" transmission adapts. However, this revised bulletin included new information explicitly acknowledging that the Warranty applied to the transmission repair, stating: "Warranty Information. For vehicles repaired under the Powertrain coverage, use the following labor operation. Reference the Applicable Warranties section of Investigate Vehicle History (IVH) for coverage information," and listing the applicable labor code as 8480318.
- with the same subject and covered vehicles listed on the previous version. This revised bulletin repeated that "[s]ome customers may comment on low mileage vehicles with automatic transmission that shift feel to be too firm (harsh) or may slip or flare" but added that "[c]learing the shift adapts without performing a Service Fast Learn should not be considered a repair procedure as the transmission will simply relearn the previous settings." The bulletin then proceeded to outline more detailed instructions "to determine what steps should be followed" to diagnose and perform the recommended "relearn" functions to adapt the clutches. However, like the previous version, this bulletin explicitly acknowledged that the Warranty applied to

the transmission repair, stating: "Warranty Information. For vehicles repaired under the Powertrain coverage, use the following labor operation. Reference the Applicable Warranties section of Investigate Vehicle History (IVH) for coverage information," and listing the applicable labor code as 8480318.

116. On or about March 3, 2017, GM issued Service Bulletin 14-07-30-001G with the same subject as the previous version. However, this revised bulletin applied only to 2015 Chevrolet Corvettes equipped with 8L90 transmissions (RPO M5U) and instructed GM technicians, "For all truck and utility applications with the 8L90 automatic transmission, refer to 16-NA-411 for the latest information for correcting low mileage harsh shifts." This revised bulletin's substantive information, including the service instructions and warranty information, otherwise remained the same as the previous version.

c. Service Bulletin 14876

117. In or around December 2014, GM Issued Service Bulletin 14876 with the subject "Service Update for Inventory Vehicles Only 8-speed Transmission Harsh Shift." Under the section titled "Purpose," GM stated that "[o]n certain 2015 model year Cadillac Escalade, Cadillac Escalade ESV, Chevrolet Corvette, Chevrolet Silverado Double Cab and Crew Cab, GMC Sierra Double Cab and Crew Cab, GMC Yukon and GMC Yukon XL vehicles equipped with 8-speed automatic transmission (M5U), the customer may complain about harsh shifting. This can occur if the vehicle experienced multiple transmission reprogramming events during manufacturing, causing the calibration to over-adjust the shift parameters. This bulletin provides a service adaptive learn procedure that should be run to reset the calibration to the baseline parameters."

d. Service Bulletin 15-NA-007

118. On or around September 15, 2015, GM issued Service Bulletin 15-NA-007 in response to customer complaints reporting conditions such as delayed engagement, "Firm garage shifts, Park to Drive or Park to Reverse after the vehicle has be [sic] sitting for several hours with the engine off," a clunking noise when the engine starts, and/or an illuminated malfunction lamp relating to diagnostic transmission code P16F3. This bulletin applied to the following vehicle models equipped with 8L90 transmissions (RPO M5U): 2015 Cadillac Escalade, 2015 Chevrolet Silverado, 2015 GMC Sierra, 2015 GMC Yukon and included directions regarding a software update and programming the transmission control module ("TCM").

119. GM re-issued three updates to this service bulletin. On or around September 30, 2015, "delayed engagement" was removed from the subject. On or around October 21, 2015, the bulletin was expanded to cover the 2015 Chevrolet Corvette. On or around January 22, 2016, the bulletin was expanded to cover the 2016 model years for the vehicles listed in the original bulletin.

e. Service Bulletin PIP5337

120. On or around October 13, 2015, GM issued Service Bulletin PIP5337 with the subject "Shake Or Shudder On Acceleration Excessive Engine RPM Fluctuation." This bulletin applied to the following vehicle models equipped with 8L90 transmissions (RPO M5U): 2015-2016 Cadillac Escalade, 2015-2016 Cadillac Escalade ESV, 2015-2016 Chevrolet Silverado, 2015-2016 GMC Sierra, 2015-2016 GMC Yukon, and 2015-2016 GMC Yukon XL. In the bulletin, GM advised its service technicians that customers may report "[e]xcessive engine RPM fluctuation" and "[a] shudder feeling that may be described as driving over rumble strips or rough pavement." GM's bulletin stated that the complained of conditions do not occur 1)

"during vehicle launch from a stop," 2) "when the transmission is shifting gears," 3) "when the vehicle is decelerating," 4)or "when TCC slip speed is zero." GM's bulletin included no diagnostic or repair procedures, but merely stated, "These conditions may be caused by an internal torque converter issue. A revised torque converter that addresses these conditions will be available soon."

- 121. From January 20, 2016 to October 2018, GM subsequently issued 11 updates to Service Bulletin PIP5337, numbered PIP5337A through PIP5337K.
- 122. On or around January 20, 2016, GM issued PIP5337A to include more vehicles and to recommend procedures to diagnose and evaluate the shudder issue. Among the step-by-step evaluation procedures, GM also advised its service technicians to flush the transmission twice, replace the transmission fluid using Dexron HP (Part No.19300536), clean the transmission pan, and replace the pan and the filter.
- 123. On or around February 22, 2016, GM issued PIP5337B to update procedures to evaluate and service the shudder issue. GM included more specific and different instructions to its service technicians regarding flushing of the transmission, cooler lines, and cooler; replacement of the transmission fluid using Dexron HP, the transmission pan, and transmission filter. However, GM continued advise that "[i]f the condition is not resolved after completion of the second transmission flush procedure the condition may be caused by an internal torque converter issue. These conditions may be caused by an internal torque converter issue. A revised torque converter that addresses these conditions will be available soon." Similar to PIE0353 and later versions of 14-07-30-001, this bulletin update included a "Warranty Information" section with a specific Labor Operation code.
- 124. In March through October 2016, GM issued the four updates to PIP5337 with minor changes: GM issued PIP5337C or around March 8, 2016 to update the transmission fluid part numbers. GM issued PIP5337D on or around June

- 3, 2016 to update the build dates for the applicable vehicles covered by the update; GM issued PIP5337E on or around August 15, 2016 to update labor time under the "Warranty Information" section. GM issued PIP5337F on or around October 19, 2016 to update fluid part numbers and ordering process.
- 125. GM issued PIP5337G on or around November 16, 2016 with updates to its diagnostic recommendations. The bulletin also directed technicians to "refer to bulletin 16-NA-175 for all other vehicles [i.e., not listed in PIP5337] equipped with the 8L90 automatic transmission RPO (M5U) with shudder concerns." Notably, unlike prior versions, GM removed its statement that the complained of conditions do not occur 1) "during vehicle launch from a stop," 2) "when the transmission is shifting gears," 3) "when the vehicle is decelerating," 4) or "when TCC slip speed is zero." Instead, it listed the following complaints without the above qualifications:
- A shake and/or shudder during light throttle acceleration between 48 and 104 km/h (30 and 65 mph) steady state driving when transmission is not actively shifting gears.
- A shudder feeling that may be described as driving over rumble strips or rough pavement.
 - A shudder feeling that is evident in both Drive and M7 mode.
- 126. GM issued two additional updates, containing minor changes, that are available online: GM issued PIP5337H on or around December 21, 2016 to remove part numbers, and issued PIP5337J on or around November 29, 2017 to update fluid information.
- 127. On or about October 4, 2018, GM issued PIP5337J, which only listed the same applicable vehicles, but contained no reported conditions or recommendations. Instead, the bulletin directed technicians to "refer to bulletin 16-NA-175 for vehicles equipped with the 8L90 automatic transmission RPO (M5U) with shudder concerns." GM further directed, "Please follow this diagnostic or repair process in Bulletin 16-NA-175, [sic] thoroughly and complete each step If the

condition exhibited is resolved without completing every step, the remaining steps do not need to be performed."

f. Service Bulletin PIE0353

128. On or around February 11, 2016, GM issued Service Bulletin PIE0353 to address consumer complaints reporting "a shake or shudder on light acceleration or steady state cruise." This bulletin applied to the following vehicle models equipped "with 8-Speed Automatic Transmission 8L90 (RPO M5U) and 5.3 Engine (RPO L83)": "2016 Chevrolet Silverado Models" and "2016 GMC Sierra Models." The bulletin contained instructions to perform different procedures enabling technicians to observe the torque converter clutch slip during the shudder and explicitly directed the technicians to contact GM engineers listed on the bulletin. In the bulletin, GM stated that "GM Engineering is attempting to determine the root cause of the above condition. Engineering has a need to gather information on vehicles PRIOR to repair that may exhibit this condition. As a result, this information will be used to 'root cause' the customer's concern and develop/validate a field fix." Again, the bulletin included a "Warranty Information" section with Labor Operation code 8480428.

g. Service Bulletin 16-NA-014

129. On or around January 21, 2016, GM issued Service Bulletin 16-NA-014 with the subject "Delayed Engagement After Sitting With Engine Off." This bulletin applied to the following vehicle models equipped with an 8L45 or 8L90 transmission: 2015-2016 Cadillac Escalade, 2016 Cadillac Escalade ESV, 2016 Cadillac ATS, 2016 Cadillac CTS, 2015-2016 Chevrolet Corvette, 2015-2016 Chevrolet Silverado, 2015-2016 GMC Sierra, 2015-2016 GMC Yukon and 2015-2016 GMC Yukon XL. In the bulletin, GM stated that "[s]ome customers may

comment on a condition of delayed engagement when the transmission is shifted from Park to Reverse or Park to Drive after the vehicle has been sitting with the engine off. This condition may typically occur after several hours or more commonly overnight." GM's recommended correction was to "[i]nstall a new stator shaft support assembly.

- 130. GM issued an update on or around April 22, 2016 to update part numbers.
- 131. On or around June 16, 2016, GM issued an update to clarify the reported condition, to identify the cause of the reported condition, and to add diagnostic procedures for the C5 clutch and torque converter. Specifically, GM stated that "[t]his condition may be caused by the torque converter draining the transmission fluid back into the transmission pan." Additionally, GM advised that customers may describe the reported condition as follows:
 - Vehicle delaying into gear.
 - Not wanting to move.
 - Feeling like the transmission is slipping.
 - Delayed engagement followed by a harsh engagement.
- 132. On or around November 17, 2016, GM issued an update to clarify the applicable vehicle models and provide more detailed repair or diagnostic procedures. The updated bulletin applied to the following vehicle models within the VIN range identified in the bulletin: vehicles equipped with an 8L45 or 8L90 transmission: 2015-2016 Cadillac ATS, 2015-2016 Cadillac CTS; vehicles equipped with an 8L45 transmission: 2015-2016 Chevrolet Camaros with a 3.6L engine and VIN on or before September 28, 2015, 2015-2016 Chevrolet Camaros with a 2.0L engine and VIN on or before November 9, 2019; vehicles equipped with an 8L90 transmission: 2015-2016 Cadillac Escalade, 2015-2016 Cadillac Escalade ESV, 2015-2016 Chevrolet Camaro, 2015-2016 Chevrolet Corvette, 2015-2016 Chevrolet Silverado,

2015-2016 GMC Sierra, 2015-2016 GMC Yukon, and 2015-2016 GMC Yukon XL. GM's recommended correction was to replace parts of the transmission and/or the transmission pan, depending on the symptoms described by the customer. Like PIE0353 and later versions of 14-07-30-001, this bulletin update included a "Warranty Information" section with a specific Labor Operation code.

h. <u>Service Bulletin 16-NA-019</u>

133. On or around January 25, 2016, GM issued Service Bulletin 16-NA-019 with the subject "Information on Transmission Adaptive Functions and Correcting Low Mileage Harsh Shifts, Slips, or Flares." This bulletin applied to all 2016 passenger cars and trucks under the Buick, Cadillac, Chevrolet, or GMC brands equipped with 8L90 or 8L45 automatic transmissions (RPOs M5U, M5T, M5N, M5X). Under the "Condition" section of this bulletin, GM stated, "[s]ome may comment on low mileage vehicles with an automatic transmissions [sic] that they shifting may feel too firm (harsh), slips, or flares. Customers should be advised that the transmission makes use of an adaptive function that will help to refine the shift feel while driving and improve shift quality." The bulletin also included description of transmission's adaptive learning functions and instructions for resetting and "relearning" transmission adapts. Like PIE0353 and later versions of 14-07-30-001, this bulletin update included a "Warranty Information" section with a specific Labor Operation code.

134. On or around August 19, 2016, GM issued an update to Service Bulletin 16-NA-019 as 16-NA-019A with "[a]dded 2017 Model Year and updated information." Specifically, the bulletin directed GM technicians to "check the ECM/TCM Software/Calibrations against what's currently in the vehicle and if the description of the update is relevant to the customer concern please perform the update prior to proceeding with the learns" outlined in the revised bulletin. The

revised bulletin included the same "Warranty Information" section as the original bulletin.

i. Service Bulletin 16-NA-175

- 135. On or around May 31, 2016, GM issued Service Bulletin 16-NA-175 with the subject "Shake and/or Shudder During Light Throttle Acceleration Between 48 and 104 KM/H (30 and 65 MPH) at a Steady State." This bulletin applied to the following vehicle models built after November 1, 2015 equipped with a 5.3L or 6.2L engine and equipped with 8L90 transmissions (RPO M5U): 2016 Cadillac Escalade models; 2016 Chevrolet Silverado, 2016 GMC Sierra, and 2016 GMC Yukon models. In the bulletin, GM advised its service technicians that customers may report:
- A shake and/or shudder during light throttle acceleration between 48 and 104 km/h (30 and 65 mph) steady state driving when transmission is not actively shifting gears.
- A shudder feeling that may be described as driving over rumble strips or rough pavement.
 - A shudder feeling that is evident in both Drive and M7 mode.
- 136. GM included procedures to diagnose and service the shudder issue, including detailed instructions for flushing the transmission several times and cleaning "the pan/magnet if any metallic particles present and replac[ing] filter if debris is found[.]" Similar to PIE0353 and later versions of 14-07-30-001, this bulletin update included a "Warranty Information" section with a specific Labor Operation code.
- 137. From June 2016 to February 2019, GM subsequently issued 13 updates to Service Bulletin 16-NA-175.
- 138. GM issued an update on or around June 1, 2016, adding a breakpoint date, and again on or around November 29, 2016 to add the 2017 model years and

updated information to service personnel, including graphics, in the diagnosis instructions.

- 139. On or around February 27, 2017, GM issued another update to Service Bulletin 16-NA-175. This version applied to the following vehicles containing 8L90 (M5U, M5X) or 8L45 (M5T, M5N) transmissions: all GM passenger cars and trucks for model years 2015-2017 and Cadillac, Chevrolet, and GMC brands. GM also provided detailed instructions for diagnosing the shudder as a TCC (torque converter clutch) shudder using picoscope and NVH software.
- 140. GM issued an update on or around April 18, 2017 to update the information on the chart specifying, for each model year, the conditions under which the shudder was observed. Another update was issued on or around August 24, 2017 to expand the miles per hour ranges where the shudder occurred and to include more detailed information on diagnostics. Another update was issued on or around October 4, 2017 to update VIN breakpoints. On or around December 1, 2017, another update was issued to include the 2018 model years and updated Service Procedure sections. On or about December 14, 2017, the bulletin was again revised to remove the "Note" statement regarding the use of DEXRON VI to flow and flush transmission cooling system. On or about June 5, 2018, another revised bulletin was released to remove the Colorado/Canyon Models and update a note regarding Canadian dealer orders. On or around September 4, 2018, a revised bulletin was issued to include a "Parts Information" section.
- 141. On or around October 10, 2018, GM issued yet another revised bulletin to update the vehicle models section and the models in shudder conditions test table, to remove VIN Breakpoint information, to add the 2019 Model Year, to remove the Transmission Filter Replacement information and to change the fluid quantity in the Parts Information section. This bulletin applied to the following vehicle models equipped with 8 speed automatic transmissions: 2016-2019 Cadillac ATS (M5N,

M5U); 2016-2018 Cadillac CT6 (M5N, M5U); 2016-2019 Cadillac CTS 9M5N, M5U); 2015-2017 Cadillac Escalades (M5U); 2016-2019 Chevrolet Camaros (M5T); 2016-2018 Chevrolet Camaros (M5U); 2019 Chevrolet Colorado (M5T); 2015-2019 Chevrolet Corvettes (M5U); 2015-2018 Chevrolet Silverado (M5U, M5X); 2015-2017 GMC Yukon (M5U); 2019 GMC Canyons (M5T); 2015-2018 GMC Sierras (M5U, M5X). Importantly, GMC stated:

Important: Do NOT replace the torque converter or transmission assembly for this condition. Engineer reviews have proven that replacing the torque converter does not provide a long-term solution to TCC shudder. A revised service procedure will be released in Q1 of 2019. If the vehicle experiences a repeat shudder condition, this document should be followed again.

142. On or around February 08, 2019, GMC issued the fourteenth version of Service Bulletin 16-NA-175. This bulletin removed all the diagnostic and service procedure information and instead directed technicians to "[f]ollow the service procedures outlined in TSB 18-NA-355."

j. <u>Service Bulletin PIP5405</u>

143. On or around June 2, 2016, GM issued Service Bulletin PIP5405 with the subject "Surge Misfire Feeling Sensation During Highway Steady State Driving." This bulletin applied to the following vehicle models equipped with 8L90 transmissions (RPO M5U): 2015-2016 Cadillac Escalade, 2016 Cadillac CTS-V, 2014-2016 Chevrolet Corvette, 2014-2016 Chevrolet Silverado, 2016 Chevrolet Camaro, 2015-2016 Chevrolet Tahoe, 2015-2016 Chevrolet Suburban, 2014-2016 GMC Sierra, 2015-2016 GMC Yukon, and 2015-2016 GMC Yukon XL. In the bulletin, GM advised its service technicians that customers may report: "[a] concern of surge misfire feeling sensation during highway steady state driving in manual

mode or automatic, typically 6th, 7th, 8th gear accelerating 1000 to 2500 rpm under load. TCC engaged, no misfire data or P0300 codes present." However, GM stated that if these symptoms are presented, the vehicle "is operating as [d]esigned." GM further advised:

The normal operation of engines and transmissions generate various vibrations and engine and transmission mounts try to isolate those vibrations from the rest of the vehicle. While the mounts do a great job of isolating most vibrations there may still be certain engine loads and rpm's that generate vibrations that customers may feel in the vehicle. Changes in engine load or rpm will change the vibrations produced making it more or less apparent to occupants in the vehicle. When issues of this nature are encountered, like equipped vehicles should be compared, and if consistent results are identified, this should be considered a "normal" characteristic of the vehicle.

144. On or around June 6, 2016, GM issued a revised Service Bulletin, PIP5405A to update the applicable vehicle models. PIP5405A applied to 2014-2016 Chevrolet Corvette, 2016 Chevrolet Camaro, and 2016 Cadillac CTS-V. On or around December 12, 2016, GM issued a revised Service Bulletin, PIP5405B, to include model year 2017 for these vehicles, making the bulletin applicable to 2014-2017 Chevrolet Corvette, 2016-2017 Chevrolet Camaro, and 2016-2017 Cadillac CTS-V.

k. <u>Service Bulletin 16-NA-213</u>

145. On or around June 28, 2016, GM issued yet another Service Bulletin to address consumer comments "that the transmission has developed a harsh shift." This bulletin, 16-NA-213, applied to the following vehicle models equipped with an 8L90 or 8L45 transmission (RPOs M5U, M5T, M5N) built between July 1, 2015 to

September 14, 2015: 2015-2016 Cadillac Escalade, 2015-2016 Cadillac ATS, ATS V, CTS, CTS V, 2015-2016 Chevrolet Corvette, 2015-2016 Chevrolet Silverado, and 2015-2016 GMC Sierra. The bulletin specifically noted that "there may be more than one shift that is harsh" and that some transmissions, those with "a suspect Clutch Control Solenoid," should have the valve body replaced.

I. Service Bulletin PIP5437

146. On or around November 8, 2016, GM issued another service bulletin to address the ongoing, unremedied Transmission Defect. This bulletin, PIP5437, was titled "8L45 8L90 Diagnostic Tips for Harsh Shifts" to address consumer comments that "the transmission in their vehicle is not shifting correctly." The bulletin applied to the following vehicle models equipped with an 8L90 or 8L45 transmission: 2015-2016 Cadillac Escalade, 2016 Cadillac Escalade ESV, 2016 Cadillac ATS, ATS-V, CTS, and CTS-V, 2015-2017 Chevrolet Corvette, 2015-2017 Chevrolet Silverado, 2016-2017 Chevrolet Camaro, 2015-2017 GMC Sierra, and 2015-2017 GMC Yukon. The bulletin directed technicians to use software to identify the shift problems and to perform a drive learn procedure on low-mileage vehicles. On higher mileage vehicles, the bulletin instructed technicians to remove the transmission fluid pan and inspect for debris. Technicians were further instructed, "if debris is found the transmission should be disassembled for root cause and repairs. If excessive debris is not found the valve body should be replaced." This bulletin was updated on or around November 14, 2016 to cover additional vehicle models equipped with an 8L90 or 8L45 transmission, namely 2017 Cadillac Escalade, 2017 Cadillac Escalade ESV, and 2017 Cadillac ATS, ATS-V, CTS, and CTS-V.

m. <u>Service Bulletin 16-NA-411</u>

147. On or around January 20, 2017, GM issued Service Bulletin 16-NA-

411 to provide GM technicians with yet another a procedure to reprogram the ECM and TCM to correct ongoing complaints relating to the Transmission Defect. This bulletin applied to the following vehicle models equipped with an 8L90 transmission: 2015-2016 Cadillac Escalade models; 2015-2016 Chevrolet Silverado, 2015-2016 GMC Sierra, and 2015-2016 GMC Yukon models. Specifically, the bulletin addressed the following consumer comments on the following conditions:

- Harsh 1-2 upshift (except for the first 1-2 upshift of the day)
- Harsh 3-1 downshift when de-accelerating to a stop
- Harsh downshift under heavy throttle apply
- Active Fuel Management (AFM) V4 to V8 transition harshness
- Coast down downshifts
- 148. Notably, the bulletin specifically acknowledged that:

The new ECM and TCM software will not improve the following conditions and should not be installed for any of the following conditions:

- Shift quality of the first 1-2 shift of the day
- Power-On lift foot upshifts (Heavy throttle application followed by a closed throttle application which results in a transmission up shift)
- Delayed/slow engagement (Refer to Bulletins 16-NA-014 and 16-NA-364)
- TCC Shudder (Refer to PIP5337 and Bulletin 16-NA-175)
- Engine or Chassis induced vibrations
- Fuel Economy

n. <u>Service Bulletin 16-NA-404</u>

149. On or around April 7, 2017, GM issued Service Bulletin 16-NA-404 to provide GM technicians with another procedure to reprogram the TCM to correct the diagnostic transmission code set relating to the same complaints reiterated above arising from the Transmission Defect. This bulletin applied to the following vehicle

models equipped with an 8L45 and 8L90 transmissions (M5T, M5N, M5U, M5X): 2017 Cadillacs ATS and CTS built before December 6, 2016; 2017 Cadillacs CT6 (Excluding RPO I16) built before November 17, 2016; 2017 Cadillacs Escalade built before December 16, 2016; 2017 Chevrolet Camaro built before December 6, 2016; 2017 Chevrolet Corvette built before December 8, 2016; 2017 Chevrolet Silverado built before December 16, 2016; 2017 Chevrolet Suburban (excluding RPO I16) built before December 16, 2016; 2017 Chevrolet Tahoe (Excluding RPO I16) built before December 16, 2016. It also applied the following vehicles built before December 16, 2016 and equipped with automatic 8L90 transmissions (M5U, M5X): 2017 GMC Sierra and 2017 GMC Yukon (excluding RPO I16). The bulletin addressed the following consumer complaints reporting:

- Harsh shift
- Delayed shift
- Unwanted downshift
- Transmission stuck in one gear
- Erratic shifting
- Hesitation between shifts
- MIL illuminated
- 150. Bulletin 16-NA-404 contained instructions to dealers to reprogram the Transmission Control Module with another software update.

o. Engineering Information PIE0405

151. On or around April 7, 2017, GM issued PIE0405 to address consumer complaints reporting "a shake or shudder while driving." This bulletin applied to the following vehicle models equipped with transmissions 8L90 (M5U, M5X) and 8L45 (M5T, M5N), model years 2017 with VINs beginning on March 1, 2017: Cadillac ATS, CT6, CTS, Cadillac Escalade; Chevrolet Camaro, Chevrolet Colorado, Chevrolet Corvette, Chevrolet Silverado, GMC Canyon, GMC Sierra, and GMC

Yukon. The bulletin contained instructions to perform different procedures enabling technicians to observe the torque converter clutch slip during the shudder and explicitly directed the technicians to contact GM engineers listed on the bulletin. In the bulletin, GM stated that "GM Engineering is attempting to determine the root cause of the above condition. Engineering has a need to gather information on vehicles PRIOR to repair that may exhibit this condition. As a result, this information will be used to 'root cause' the customer's concern and develop/validate a field fix." The bulletin included a "Warranty Information" section with Labor Operation code 8480428.

152. GM issued an update, PIE0405A, on or around September 21, 2017 to include model years 2018. GM issued an update, PIE0405B, on or around October 4, 2017 to highlight that it applied to vehicles built after March 1, 2017 and to direct technicians to use bulletin 16-NA-175 for vehicles built before that date. GM issued an update, PIE0405C, on or around January 29, 2018, which removed the diagnostic instructions and instead referred technicians to refer to 16-NA-175 to service any covered vehicles exhibiting the reported problems.

p. Service Bulletin 16-NA-361

153. On or around July 21, 2017, GM issued Service Bulletin 16-NA-361 with the subject, "Information on Transmission Harsh 1-2 Shift Upon First Start Up/Shift of the Day Under Light Throttle." This bulletin applied to the following vehicle models equipped with an 8L45 and 8L90 transmissions (M5T, M5N, M5U, M5X): 2016-2017 Cadillac ATS and CTS, 2016-2017 Cadillac CT6, 2016-2017 Cadillacs Escalade models, 2016-2017 Chevrolet Camaro, 2016-2017 Chevrolet Colorado (VIN S, T), 2015-2017 Chevrolet Corvette, 2017 Chevrolet Silverado, 2017 Chevrolet Express, 2017 GMC Canyon, 2017 GMC Savana, 2015-2017 GMC Sierra and 2015-2017 GMC Yukon. The bulletin addressed the following consumer

complaints reporting "that the transmission exhibits a harsh 1-2 shift on the first shift of the day, typically under light throttle."

154. GM identified the cause of these reported conditions as "due to the initial clutch fill time of the 2-3-4-6-8 (C4) clutch." GM's bulletin included no diagnostic or repair procedures. Instead, it stated that "the first 1-2 shift of the day may be harsh[.]" Notably, it advised: "Important: Replacing transmission components or complete assemblies will not improve the condition." GM claimed, "This condition will not impact the designed performance or reliability of the vehicle."

q. Service Bulletin 18-NA-177

155. However, consumer complaints persisted and GM's ineffectual fixes allowed the Transmission Defect to go uncorrected. On or around June 5, 2018, GM issued yet another Service Bulletin, 18-NA-177, addressing the shaking and/or shuddering during light throttle acceleration at moderate to high speeds at a steady speed. This bulletin applied to the following vehicle models built before June 1, 2018 equipped with 8L45 transmissions (M5T): 2017-2018 Chevrolet Colorado and 2017-2018 GMC Canyon. GM directed its technicians to determine whether the vibration was "TCC [torque converter clutch] Shudder" using picoscope and NVH software. If the cause of the vibration was TCC shudder, technicians were directed to replace the torque converter assembly and the transmission pan and filter. Like PIE0353 and later versions of 14-07-30-001, this bulletin update included a "Warranty Information" section with a specific Labor Operation code.

r. <u>Service Bulletin 18-NA-235</u>

156. On or around September 11, 2018, GM issued Service Bulletin 18-NA-235 regarding information on surge, chuggle, misfire, fishbite, and shudder during

driving maneuvers. This bulletin applied to the following vehicle models: 2015-2017 Cadillac Escalade with 6.2L engines and 8L90 (M5U) transmissions; 2015-2018 Chevrolet Silverado with 5.3 (L83) and 6.2 (L86) engines and 8L90 (M5U, M5X) transmissions; 2019 Silverado 1500 (new models) with 5.3 (L84) engines and 8L90 (MQE) transmissions; 2019 Chevrolet Suburban with 5.3 (L83) and 6.2 (L86) engines and 8L90 (M5U) transmissions; 2018-2019 Chevrolet Tahoe with 5.3 (L83) and 6.2 (L86) engines and 8L90 (M5U) transmissions; 2015-2018 GMC Sierra with 5.3 (L83, L84) and 6.2 (L86) engines and 8L90 (M5U, M5X, MQE) transmissions; 2019 GMC Sierra 1500s (new models) with 5.3 (L84) engines and 8L90 (MQE) transmissions; and 2015-2017 GMC Yukon with 6.2 (L86) engines and 8L90 (M5U) transmissions. Although the bulletin specifically was issued to address customer complaints of a surge, chuggle, misfire, fishbite, and shudder while driving at a steady speed between 35 and 55 MPH with light steady throttle conditions, GM stated that "[i]f TCC slip is steady and there are no misfires, the condition should be considered characteristic of the vehicle and no repairs should be attempted."

s. Service Bulletin 18-NA-356

157. On or around November 20, 2018, GM issued Service Bulletin 18-NA-356 regarding customer complaints of a "vibration and/or noise heard during hard acceleration at speeds of 77 km/h (48 mph) to 83 km/h (52 mph)." This bulletin applied to the following vehicle models: 2015-2018 Chevrolet Colorado and 2015-2018 GMC Canyon with 3.6L (RPO LGZ) engines and 8L45 (RPO M5T) transmissions. GM's recommended correction was to "install a tapered shim between the axle and leaf spring to adjust the angle" using the procedure in the bulletin.

t. Other Service Bulletins and Communications Involving the Eight-Speed Transmissions

- 158. In addition to the service bulletins described above, GM issued at least 13 service bulletins regarding part restrictions.
- 159. For instance, from July 21, 2014 to April 7, 2016, GM issued PIP5200 and 11 updates through PIP5200K "The 8L90 8 Speed Automatic Transmission is on restriction through GM PQC as part of our ongoing quality improvement efforts to assist Engineering with product concern identification effective on 07/01/2014."
- 160. On or around October 16, 2017, PIP5526 was issued to institute a part restriction on the 8L45 and 8L90 8 Speed Transmission Park Pawl Actuator Rod. On or around March 15, 2016, PIP5526A was issued to end the part restriction.
- 161. In addition to the above bulletins, GM issued a number of bulletins and Customer Satisfaction Program documents relating to other issues arising from the Transmission Defect. For instance, the following bulletins were issued regarding Malfunction Indicator Lamps illuminating upon shifts or shudders, when shifting, or refusing to turn off without explanation. *See*, *e.g*. Service Bulletin 15-07-30-002 and 15-07-30-002A released in early 2019; PIP5274 issued on or around March 4, 2015; PIP5425 and PIP5425A issued in or around September 2016; Service Bulletin 16-NA-194 issued in or around June 2016.
- 162. Additionally, Service Bulletin 15178 was issued in or around April 2015 to direct dealers to perform service updates for inventory vehicles equipped with the 8-speed transmission (M5U) to address a transmission gear whine noise.
- 163. In or around May 2015, GM issued Program Bulletin 15216 announcing a Customer Satisfaction Program "to replace two u-joint retainers and four u-joint retainer bolts with new bolts that include an adhesive patch" This bulletin covered the following vehicles equipped with 6.2L Engine (RPO L86) and 8-speed Automatic Transmission (RPO M5U): 2015 Cadillac Escalade, Escalade

ESV; 2015 Chevrolet Silverado LD Crew and Double Cab; 2015 GMC Sierra LD Crew and Double Cab, Yukon, Yukon XL.

164. In or around in June 2016, GM issued communication number N16204447 announcing a Customer Satisfaction Program. The program was expected to apply to approximately 80 vehicles that "may have been built with an incorrectly machined torque converter pressure plate." GM offered to replace the 8-Speed Automatic Transmissions (M5N and M5T) in eligible vehicles and acknowledged that "[o]ver time, this condition could result in a shudder or vibration, fluctuations on the tachometer and possible torque converter failure.

3. Numerous Consumer Complaints on the NHTSA Demonstrate That GM Was Aware of the Transmission Defect.

- 165. Federal law requires automakers like GM to be in close contact with NHTSA regarding potential auto defects, including imposing a legal requirement (backed by criminal penalties) compelling the confidential disclosure of defects and related data by automakers to NHTSA, including field reports, customer complaints, and warranty data. *See* TREAD Act, Pub. L. No. 106-414, 114 Stat. 1800 (2000).
- 166. Automakers have a legal obligation to identify and report emerging safety-related defects to NHTSA under the Early Warning Report requirements. Id. Similarly, automakers monitor NHTSA databases for consumer complaints regarding their automobiles as part of their ongoing obligation to identify potential defects in their vehicles, including safety-related defects. Id. Thus, GM knew or should have known of the many complaints about the Transmission Defect logged by NHTSA ODI, and the content, consistency, and large number of those complaints alerted, or should have alerted, GM to the Transmission Defect.
 - 167. Hundreds, if not thousands, of purchasers of the Class Vehicles have

experienced problems with the transmission. Complaints that owners filed with the NHTSA demonstrate that the defect is widespread and dangerous and that it manifests without warning. The complaints also indicate GM's awareness of the problems with the transmission and how potentially dangerous the defective condition is for consumers. The following is just a small sampling of the over hundreds of safety-related complaints describing the Transmission Defect (spelling and grammar mistakes remain as found in the original) (Safecar.gov, Search for Complaints (May 7, 2019), http://www-odi.nhtsa.dot.gov/complaints/):

a. 2015 Cadillac Escalade

168. On the NHTSA website, there are at least 40 consumer complaints for "2015 Cadillac Escalade." As one example, on May 13, 2015, the following incident was reported:

ACCELERATION FOR NO REASON. I WAS BACKING OUT OF A PARKING SPOT AND I PUT THE CAR IN REVERSE. I WAS NEARING THE EDGE OF THE CURB ON MY RIGHT FRONT WHEEL SO I STEPPED ON THE BRAKE, STOPPED THE CAR, AND SHIFTED INTO DRIVE SO I COULD MOVE THE VEHICLE FORWARD TO AVOID HITTING THE CURB WHILE BACKING OUT. ONCE I SHIFTED INTO DRIVE, THE CAR WENT TO FULL ACCELERATION FOR NO REASON AND HIT A POLE AT FULL ACCELERATION APPROXIMATELY 5 FEET AWAY.

169. Another incident involving a 2015 Cadillac Escalade was reported on November 23, 2015:

MY 2015 CADILLAC ESCALADE HAS BEEN IN THE SHOP FOR 130+ DAYS IN THE FIRST CALENDAR YEAR FOR DEFECTIVE BRAKES, TRANSMISSION, SUSPENSION, ELECTRICAL,

AND HVAC. I HAVE CONTACTED GM AND THEY DON'T WANT TO REPURCHASE THE VEHICLE. THE VEHICLE IS CONSTANTLY IN THE SHOP FOR PROBLEMS AND IT IS NOT A VEHICLE THAT SHOULD BE OPERATED ON PUBLIC ROADWAYS. THE TRANSMISSION HAS BEEN REPLACED ONCE BEFORE DUE TO DEFECTS IN DESIGN AND BUILD QUALITY. THE TRANSMISSION NOW CAUSES THE CAR TO TAKE OFF IN 4TH GEAR RATHER THAN IN 1ST GEAR WHICH MEANS THE CAR FEELS AS IF THERE IS NO POWER TO PROPEL THE VEHICLE. THE TRANSMISSION SLIPS AND FEELS AS IF IT IS BROKEN. I HAVE TAKEN IT TO THE DEALER AT LEAST 5 TIMES AND GM NOW DOES NOT WANT TO REPLACE THE TRANSMISSION EVEN THOUGH THE DEALER HAS VERIFIED THE CONCERN AND DOCUMENTED IT. I FEEL THAT GM IS NOT DOING ENOUGH TO ENSURE SAFE VEHICLES ARE ON THE ROAD. THIS TRANSMISSION ISSUE IS GOING TO CAUSE AN ACCIDENT ONE DAY. I HAVE ALREADY PUT GM ON NOTICE ALL THE WAY UP TO THE EXECUTIVE LEVEL AND THEY DON'T WANT TO DO ANYTHING ABOUT IT. I FEEL THAT NHTSA SHOULD INVESTIGATE THE ISSUES THAT PLAGUE 2015 FULL SIZE GM SUV OWNERS. THERE ARE A LOT OF US OUT THERE ACCORDING TO MY RESEARCH.

170. Another incident involving a 2015 Cadillac Escalade was reported on January 5, 2016:

ENGINE NOISE AND VIBRATION ON COLD START. VERY LOUD GRINDING NOISE COMING FROM ENGINE. HAD IT LOOKED AT 2 TIMES. DEALER SERVICE MANGER JIMMIE STATES ITS NORMAL. THEY ALL MAKE THAT NOISE. I AM 54 YEARS OLD OWNED MORE THAN 15 CARS IN MY

LIFE . THIS IS NOT NORMAL. THEY DO NOT WANT TO FIX IT.

b. 2016 Cadillac Escalade

171. On the NHTSA website, there are at least 29 consumer complaints for "2016 Cadillac Escalade." As one example, on January 30, 2016, the following incident was reported:

CAR VIBRATES FROM 35MPH UP TO 80 PLUS. HAD IT TO DEALER 5 TIMES AND THEY KNOW THAT THERE IS A VIBRATION. THEY SAID GM SAID THE TORQUE CONVERTER WAS OUT OF BALANCE AND GM WAS DESIGNING A FIX . ABOUT 5 CALLS AND THREE WEEK LATER THEY RECEIVED A NEW SPECIAL TORQUE CONVERTER AND AFTER IT WAS INSTALLED THE VIBRATION WAS STILL THERE. YOU CAN FEEL THE VIBRATION IN THE STEERING WHEEL, THROTTLE, CENTER CONSOLE, FLOOR, AND THE SEAT. THE SERVICE MANAGER HAS BEEN VERY POLITE AND HAS GONE OUT OF HIS WAY TO HELP. A GM FIELD SERVICE REP HAS LOOKED AT THE CAR AND SAID IT IS WITHIN GM SPEC.S. I AM READING ALL OVER THE INTERNET OF THE SAME PROBLEM AND GM HAS REPLACED DRIVELINES, TRANSMISSIONS, TIRES, TORQUE CONVERTERS, SHOCKS, REAR AXLES, ENGINE MOUNTS, ETC. AND STILL HAVE A VIBRATION PROBLEM. THEY HAVE EVEN BOUGHT SOME OF THE 2015 AND 2016 BACK. THIS IS HAPPENING ON ALL GM FULL SIZE SUV'S. CHEVROLET, GMC, AND CADILLAC.

172. Another incident involving a 2016 Cadillac Escalade was reported on February 2, 2016:

THE CONTACT OWNS A 2016 CADILLAC ESCALADE. THE CONTACT STATED THAT WHILE

DRIVING AT 35 MPH, THE VEHICLE BEGAN TO VIBRATE AS THE SPEED INCREASED. THE VEHICLE WAS TAKEN TO BE REPAIRED BUT THE DEALER COULD NOT REMEDY THE FAILURE. THE MANUFACTURER WAS MADE AWARE OF THE FAILURE. THE FAILURE MILEAGE WAS 4,000.

173. Another incident involving a 2016 Cadillac Escalade was reported on June 27, 2016:

VEHICLE EXHIBITS A CONSTANT VIBRATION AT SPEEDS BETWEEN 35 MPH AND 75 MPH.
VIBRATION IS NOT ROAD RELATED, IT IS A CONSTANT, STEADY VIBRATION REGARDLESS OF ROAD CONDITIONS, BEST DESCRIBED AS IF THE VEHICLE WAS DRIVING OVER CORDUROY. THERE IS ALSO A STEADY "BUFFETING" NOISE COMING FROM THE CABIN OF THE VEHICLE AT SPEEDS BETWEEN 55 MPH AND 70MPH.

VEHICLE WAS BROUGHT TO INDEPENDENT TIRE SHOP (BY ME) TO HAVE TRANSMISSIONS AND TIRES ROAD FORCE BALANCED. REPORT WAS PROVIDED, ALL IN SPEC AND VIBRATION IS STILL PRESENT.

CURRENTLY, THERE IS A "OPEN TICKET" ON THE VEHICLE AT THE CADILLAC DEALERSHIP AWAITING A "GM ENGINEER" TO VERIFY THE VIBRATION. AS A RESULT, I DO NOT HAVE A COPY OF THE LATEST INVOICE VERIFYING THE SERVICE VISIT. THE VEHICLE CURRENTLY HAS 2000 MILES ON IT, THE VIBRATIONS WERE PRESENT SINE NEW AND SEEM TO BE GETTING WORSE.

174. Another incident involving a 2016 Cadillac Escalade was reported on February 25, 2017:

THE GEARS SHIFT ABRUPTLY. WHEN TAKING OFF THE GEARS WILL SHIFT HARD THAT IT FEELS AS IF SOMETHING HEAVY IS DROPPING IN THE ENGINE. TOOK VEHICLE TO DEALERSHIP THREE TIMES WITH SAME PROBLEM. TOMORROW WILL BE FOURTH TIME WITH SAME ABRUPT SHIFTING PROBLEM FOR A TOTAL OF 4 TIMES. AFTER DEALERSHIP TRIES TO FIX IT IT OPERATES WELL FOR ABOUT TWO TO THREE MONTHS AND THEN THE PROBLEM STARTS AGAIN. ALSO, THE VEHICLE HAS LOST ALL POWER TWICE NOW, BATTERY DEAD, DEAD, DEAD. WHEN ATTEMPTING TO TURN ON THE LIGHTS BLINK QUICKLY, MULTIPLE TIMES BUT IT DOES NOT HAVE ENOUGH POWER TO TURN ON. THIS ESCALADE WAS 94,000 TOTAL AND IT IS NOT A QUALITY VEHICLE! ROUGH RIDE WITH TRANSMISSION KICKING IN SO ROUGH!!!

175. Another incident involving a 2016 Cadillac Escalade was reported on September 13, 2018:

KNOWN TRANSMISSION ISSUE WHICH CAUSES THE VEHICLE TO TO BUCK AND SURGE WHEN YOU PULL UP TO TA STOP LIGHT, STOP SIGN, ON HIGHWAY, OR IN TRAFFIC. EXTREMELY DANGEROUS. DEALER STATES THAT THIS IS A KNOWN CONDITION WITH NO FIX. DEALER DESCRIBES ISSUES WITH SOME VEHICLES WORSE THAN OTHERS. GENERAL MANAGER OF COLONIAL CADILLAC WOBURN MA 781-935-7000 (BRET DOUGLAS) STATES THAT HE HAS DRIVEN VEHICLES WITH SAME ISSUES AND THERE IS NO FIX. IT WAS CORRECTED IN THE 2018 VEHICLES BY GOING TO A 10 SPEED TRANSMISSION. OUR VEHICLE HAS BEEN IN FOR SERVICE MULTIPLE TIMES WITHOUT ANY SUCCESS IN A REPAIR. WE ARE AFRAID TO DRIVE THE VEHICLE AS IT SURGES FORWARD AT ANY GIVEN MOMENT.

CONTACTED CADILLAC AND THEY ARE UNWILLING TO DO ANYTHING TO HELP WITH THE ISSUE. THEY ARE CONCERNED THAT THIS WOULD START THEM DOWN A SLIPPERY SLOPE FOR REPAIRING MANY 2015,16,17'S THAT HAVE THE SAME ISSUE. YOU ONLY HAVE TO GOOGLE THE ISSUE TO SEE THAT MANY GM OWNERS ARE DEALING WITH THIS SAME ISSUE. THIS IS A SAFETY ISSUE THAT NEEDS TO HAVE A RESOLUTION. SOMEONE IS GOING TO GET SERIOUSLY INJURED OR KILLED AS A RESULT OF THIS TRANSMISSION ISSUE. PLEASE HELP

176. Another incident involving a 2016 Cadillac Escalade was reported on September 27, 2018:

FROM A COLD START, WHEN TAKING VEHICLE OUT OF PARK AND INTO REVERSE, THE VEHICLE WILL SURGE OR BUCK PRIOR TO APPLYING THE ACCELERATOR. THIS HAPPENS ABOUT 1/4 OF THE DRIVE TIME. WHEN ACCELERATING AND THEN COMING TO A COAST AND BACK TO ACCELERATING, THE CAR WILL BUCK. THIS HAPPENS ABOUT 1/2 OF THE DRIVE TIME. FROM A COLD START, REVERSE, DRIVE, ACCELERATE TO 1MPH WHILE MAKING A SLIGHT RIGHT TURN OUT OF MY DRIVEWAY, THE VEHICLE BUCKS. THIS HAPPENS ABOUT 3/4 OF THE DRIVE TIME.

177. Another incident involving a 2016 Cadillac Escalade was reported on October 5, 2018:

SHUDDER / VIBRATION BETWEEN 45 - 65 MPH. CAUSE WAS TORQUE CONVERTER. 85 - 90% OF VIBRATION WAS MITIGATED. CONTINUE TO HAVE STEADY VIBRATIONS 65 -70MPH AND ABOVE. DEALER ALSO INSTALLED NEW TIRES / TRANSMISSIONS AND I HAVE HAD A ROAD FORCE BALANCE.

178. Another incident involving a 2016 Cadillac Escalade was reported on February 9, 2019:

TRANSMISSION STARTED SLIPPING AT 50K MILES.

SINCE I AM IN THE TRANSPORTATION SERVICE INDUSTRY, I KNOW MANY PEOPLE THAT HAVE TRANSMISSION ISSUES ON ESCALADES.

c. 2015 Chevrolet Corvette

179. On the NHTSA website, there are at least 27 consumer complaints for "2015 Chevrolet Corvette." As one example, on October 12, 2014 the following incident was reported:

AT ANY SPEED THE CAR JERKS LIKE ONE OR MORE SPARK PLUG WIRES ARE NOT FIRING(PULLED OFF) IN ALL MODES, IT IS WORSE IN (E ECONOMY MODE) PUSH THE GAS DOWN IT GETS WORSE IN ALL MODES.

I REPLACED THE PLUGS AND WIRES I STILL HAVE THIS PROBLEM, I WAS HOPING IT WAS A BAD PLUG OR WIRE, THAT HAPPENS.

I TOOK IT TO THE DEALER WHEN THE CHECK ENGINE LIGHT CAME ON I PULLED THE FUSE FOR THE EXHAUST VALVES TO KEEP THEM OPEN THEY CHECKED THEN TESTED THE CAR AND TOLD ME IT WAS FINE NO OTHER CODES WERE FOUND.

I HAVE 1800 MILES ON THE CAR NOW I TRIED EVERY 93 OCTANE FUEL AVAILABLE IN THIS AREA AND OTHER AREAS, HOPING IT WAS JUST

BAD FUEL THAT MANY STATIONS CAN'T HAVE BAD FUEL FOR IT TO BE FUEL RELATED. *TR

180. Another incident involving a 2015 Chevrolet Corvette was reported on October 27, 2015:

8 SPEED AUTOMATIC TRANSMISSION DOWN SHIFTS AT A STOP WITH SUCH FORCE IT FEELS AS YOU HAVE BEEN HIT FROM BEHIND BY ANOTHER CAR WHILE COMING TO A STOP. TRANSMISSION ALSO WILL NOT ALWAYS ENGAGE PROPERLY AND WILL OVER REV AND SLAM INTO GEAR POSSIBLY CAUSING AN ACCIDENT. TRANSMISSION AT TIMES WILL DISENGAGE WHILE GOING FORWARD THEN SLAM INTO GEAR WITH GREAT FORCE. I WAS TOLD BY A GM INSIDER THAT GM IS AWARE SOME TRANSMISSIONS ARE DEFECTIVE AND IS WORKING ON A KIT TO FIX THE FLUID STARVATION PROBLEM INTERNALLY BUT HAS DONE NOTHING TO INFORM OWNERS OF THE POTENTIAL DANGERS OF ERRATIC SHIFTING THAT IT'S CAUSING WHILE DRIVING. THIS ALSO CAUSES THE TRANSMISSION TO OVER HEAT AND TO ILLUMINATE A WARNING LAMP.

181. Another incident involving a 2015 Chevrolet Corvette was reported on February 27, 2016:

8-SPEED AUTOMATIC TRANSMISSION ALWAYS SHIFTS ERRATICALLY WHEN STARTING OUT COLD (LAZY SHIFT, SLOW SHIFT, ETC.) AND OCCASIONALLY DOES NOT DOWNSHIFT WHEN CAR COMES TO A STOP, ONLY TO SLAM HARD INTO 1ST WHEN GAS PEDAL IS PRESSED TO RESUME TRAVEL. DEALER SAYS GM CLAIMS THIS IS "NORMAL," BUT NO CAR I'VE EVER OWNED BEHAVES LIKE THIS. APPEARS TO BE FLUID STARVATION INTERNALLY. ANY

FIX/REPLACEMENT WOULD BE COSTLY FOR GM, SO GIVEN THEIR HISTORY W/FAULTY IGNITION SWITCHES, NOT SURPRISED THEY'RE TRYING TO AVOID IT. TRANSMISSION IS DEFINITELY NOT NORMAL AND BEHAVIOR IS UNPREDICTABLE + UNACCEPTABLE -- ESPECIALLY AT THIS PRICE. WHEN CAR IS MOVING & TRANSMISSION IS IN DRIVE AND TRYING TO LAZILY SHIFT GEARS, YOU TEMPORARILY LOSE ABILITY TO APPLY POWER, WHICH IS BOTH DANGEROUS AND UNNERVING. CLEARLY, THIS TRANSMISSION WAS PUT INTO PRODUCTION W/INADEQUATE TESTING & DEVELOPMENT. A RECALL IS NECESSARY TO FIX PROPERLY.

182. On May 17, 2016, the following incident involving a 2015 Chevrolet Corvette was reported:

AUTOMATIC 8 SPEED TRANSMISSION HAD TO BE REPLACED AT 2000 MILES ON THE ODOMETER DUE TO HARD SHIFTS AND SHIFTING AUTOMATICALLY TO LOW GEAR AT HIGHWAY SPEEDS NEARLY BRINGING THE CAR TO A STOP IN INTERSTATE TRAFFIC, NOW 700 MILES AND 4 MONTHS LATER THE TRANSMISSION IS STUCK IN SECOND GEAR AND YOU CANT DRIVE FAST ENOUGH TO GET OUT OF THE WAY OF TRAFFIC. AND I KNOW OF SEVERAL OTHER CARS LIKE IT THAT HAVE SIMILAR PROBLEMS. THIS IS A REAL SAFETY PROBLEM AND GM SEEMS TO IGNORE IT, PROBABLY UNTIL SOMEONE GETS HURT OR KILLED.

183. On August 8, 2016, the following incident involving a 2015 Chevrolet Corvette was reported:

AUTOMATIC A8 TRANSMISSION HAS THE FOLLOWING ISSUES: 1)MORNING SHIFT FROM REVERSE TO DRIVE SEVERELY DELAYED, BANGS IN EVENTUALLY. 2) ERRATIC SHIFTING IN NORMAL TRAFFIC 3) THE 2-1 DOWNSHIFT WHEN COMING TO A STOP RESULTS IN SEVERE BANG, LURCHES FORWARD AND IS VERY UNSAFE IN A PARKING LOT SITUATION. ALSO IN STOP AND GO TRAFFIC, SAME LURCHING FORWARD. FEELS AS IF SOMEONE HIT YOU FROM BEHIND 4) TORQUE CONVERTER LOCKUP IN 5TH AND 6TH GEAR. DEALER TORE APART THE CAR TO REPLACE THE STATOR, PERFORMED SOFTWARE UPDATE - NEITHER SOLUTION WORKED.

184. On August 8, 2016, another incident involving a 2015 Chevrolet Corvette was reported:

THE A8 AUTOMATIC TRANSMISSION IN THE 2015 CORVETTE IS PRONE TO OCCASIONAL HARD DOWNSHIFTS FROM 2ND TO 1ST GEAR WHEN DRIVING AT SLOW SPEEDS (LESS THAN 10 MPH). SOMETIMES THE DOWNSHIFTS ARE SO VIOLENT THAT THE CAR JERKS FORWARD SEVERAL FEET. THE FIRST TIME IT HAPPENED I THOUGHT I HAD BEEN REAR ENDED BY ANOTHER CAR. THE UNPREDICTABLE BEHAVIOR OF THE TRANSMISSION IS ESPECIALLY DANGEROUS IN PROXIMITY TO PEDESTRIANS OR OTHER VEHICLES.

185. On September 25, 2016, the following incident involving a 2015 Chevrolet Corvette was reported:

JUST AS YOU ACCELERATE, AROUND 1200 TO 1500 RPM, WITH A LIGHT TOUCH, YOU HEAR WANT IS BEING DESCRIBED AS A "WARBLE"

SOUND. IT HAS A METALLIC RING AND LASTS A FEW SECONDS.

LOADING THE ENGINE ON A HILL MAKES THE SOUND MORE INTENSE. IT IS HAPPENING TO A STOCK 2015 STINGRAY COUPE. THOUGHT THIS WAS ONLY HAPPENING TO ME BECAUSE OTHERS DO NO HAVE THIS ISSUE BUT FOUND A GROUP OF CORVETTE OWNERS ON THE CORVETTE FORUM WITH THE SAME ISSUE.

d. 2016 Chevrolet Camaro

186. On the NHTSA website, there are at least 53 consumer complaints for "2016 Chevrolet Camaro." As one example, on July 5, 2016, the following incident was reported:

PURCHASED 2016 CHEVROLET CAMARO ON 6/18/2016 FEW DAYS AFTER THE ENGINE WAS RUNNING VERY ROUGH, GRINDING NOISE, TRANSMISSION SHIFTING HARD, THE CHECK ENGINE LIGHT ILLUMINATED AND SPEED REDUCED TO 5 MPH SHOWED ON DISPLAY. THIS HAS BEEN GOING ON SINCE THEN, I BROUGHT TO DEALER ON 7/1/2016 AND THE SERVICE MECHANIC TOOK BACK TO CHECK CODES AND INFORMED ME THAT NUMEROUS ERROR CODES WERE DETECTED AND TOLD ME TO GO AHEAD AND TAKE VEHICLE HOME BECAUSE IT WAS A HOLIDAY WEEKEND AND TO RETURN ON TUESDAY 7/5/2016 TO BE INSPECTED FOR REPAIR.

187. Another incident involving a 2016 Chevrolet Camaro was reported on March 19, 2018:

I BOUGHT MY CAR IN SEPT. 2016 AFTER THE FIRST COUPLE OF MONTHS AT RANDOM TIMES THE TRANSMISSION MAKES A BOOM SOUND WHEN SLOWING DOWN FROM SPEEDS OVER 55 MPH OR DURING ACCELERATION FROM STOP AND GO RUSH HOUR TRAFFIC IT'S AS IF THE TRANSMISSION HAS TO CATCH UP WITH THE ACCELERATOR. I GET MONTHLY DIAGNOSTICS AND NOTHING SHOWS UP AS AN ISSUE.

188. Another incident involving a 2016 Chevrolet Camaro was reported on August 25, 2018:

WHEN YOU GOING DOWN THE ROAD TRANSMISSION 7/8 GEAR SHUTTERS LIKE IT'S SLIPPING

189. Another incident involving a 2016 Chevrolet Camaro was reported on November 20, 2018:

THE 8 SPEED AUTOMATIC TRANSMISSION HAS A SHUTTER AT LOW ENGINE RPM BETWEEN 1200 TO 1500 RPM. THE SHUTTER WILL OCCUR IN 2ND, 3RD, 4TH, 5TH, AND 6TH GEAR WHEN ENGINE RPM IS 1200 TO 1500. THE VEHICLE HAS 10,000 MILES ON IT. THIS HAPPENS ON OPEN ROADS IN ALL CONDITIONS AND AT VARIOUS SPEEDS + GEAR.

190. Another incident involving a 2016 Chevrolet Camaro was reported on February 27, 2019:

WHEN DRIVING, THE VEHICLE WILL VIBRATE/SHUDDER PERIODICALLY. WHEN PULLING INTO TRAFFIC, SOMETIMES IT DOES NOT SHIFT PROPERLY AND PRESENTS A DANGER. THE DEALER FLUSHED THE TRANSMISSION FLUID RECENTLY, BUT IT IS STARTING TO HAPPEN AGAIN.

191. Another incident involving a 2016 Chevrolet Camaro was reported on

January 17, 2019:

ISSUE 1 - 8 SPEED AUTOMATIC TRANSMISION IS SHIFTING HARD BETWEEN GEARS AND ALSO HAS A SHUTTER AT LOW ENGINE RPM BETWEEN 1200 TO 1500 RPM. THE SHUTTER WILL OCCUR IN MOST GEARS. ESPECIALLY NOTICEABLE WHEN USING CRUISE CONTROL. IT HAPPENS IN ALL ROADS IN ALL CONDITIONS AND AT VARIOUS SPEEDS + GEAR...

e. 2017 Chevrolet Camaro

192. On the NHTSA website, there are at least 43 consumer complaints for "2017 Chevrolet Camaro." As one example, on November 1, 2018, the following incident was reported:

MY CAR HAS BEEN HAVING A LOT OF VIBRATIONS, SPUTTERING, RUMBLING WHILE DRIVING. ESPECIALLY WHEN SPEEDING UP. IT HAPPENS WHILE IN CRUISE CONTROL ALSO. I TOOK IT TO BE SERVICED AND THEY SAID IT WAS THE TORQUE CONVERTER. THEY FLUSHED THE SYSTEM AND SAID IT SHOULD CLEAR UP AFTER 200 MILES WITH THE NEW FLUID THEY REPLACED. I TOOK IT BACK BECAUSE IT HAS BEEN OVER 500 MILES AND IS STILL HAPPENING. I WAS TOLD ALL THEY CAN DO IS REPLACE THE FLUID AGAIN FOR NOW UNTIL THEY FIX THE PROBLEM. WHY ARE THEY NOT ABLE TO REPLACE THE TORQUE CONVERTER NOW BEFORE IT CAUSES MORE INTENSIVE DAMAGE? I AM AFRAID AS IT GETS WORSE I WILL BE BROKEN DOWN ON THE SIDE OF THE ROAD WITH A CAR THAT IS IN WORSE REPAIR THAN IT SHOULD BE.

193. Another incident involving a 2017 Chevrolet Camaro was reported on

February 2, 2019 as follows:

HARD SHIFTS BETWEEN 1ST & 2ND GEAR VIBRATION BETWEEN 1500 & 1800 RPM. THIS CAR HAS ACTIVE FUEL MANAGEMENT VIBRATION SEEMS TO HAPPEN WORSE WHEN IN 4 CYLINDER MODE. GM IS AWARE OF THE ISSUE AND KEEPS PROMISING A FIX WHICH HAS YET TO BE RELEASED. BLAME IT ON FLUID IN TRANSMISSION.

f. 2015 Chevrolet Silverado

194. On the NHTSA website, there are at least 485 consumer complaints for "2015 Chevrolet Silverado." As one example, on November 20, 2015, the following incident was reported:

TRANSMISSION CANNOT FIND GEARS WHEN COASTING OR SLOWING DOWN AND THEN HITTING ACCELERATOR. VERY DANGEROUS WHEN IT HESITATES FOR SECONDS BEFORE FINDING THE RIGHT GEAR AND GOING, OR IT STAYS IN TOO HIGH OF A GEAR INSTEAD OF DOWNSHIFTING TO ACCELERATE AND RATTLES. HAPPENS EVERY TIME I DRIVE THE TRUCK, AND MANY OTHER PEOPLE HAVE THE SAME ISSUE. GM DOESN'T CARE!

195. Another incident involving a 2015 Chevrolet Silverado was reported on April 6, 2016:

HAD BEEN COMPLAINING SINCE 2 DAYS AFTER PURCHASE THAT TRANSMISSION WAS SHAKING/SHIMMYING/SPUTTERING. WAS PULLING ONTO A COUNTY HIGHWAY OFF OF A RESIDENTIAL TYPE ROAD (AFTER PICKING UP GRANDDAUGHTER FROM SCHOOL - SHE WAS IN TRUCK) AND TRUCK BOGGED DOWN &

WOULDN'T GO. INTERSECTION IS AT TOP OF HILL AND AROUND A CORNER. WAS CLEAR WHEN I STARTED PULLING OUT, BUT WAS ALMOST HIT BY ONCOMING TRUCK BEFORE I GOT MY TRUCK TO GET ON ACROSS THE INTERSECTION. HAS BEEN IN SHOP TWICE TO FIX IT. FIRST TIME TO DOUBLE TRANSMISSION FLUSH. THAT DIDN'T WORK. NEXT TIME A FEW WEEKS LATER, A TECHNICIAN HOOKED UP A COMPUTER TO MY TRUCK SO HE COULD MANUALLY SHIFT GEARS WHILE RIDING WITH ME. HE FELT THE ISSUES AND SAID HE SAW SEVERAL PROBLEMS. DEALERSHIP ENDED UP REPLACING TORQUE CONVERTER. ALSO REPLACED VLOM MANIFOLD - WHATEVER THAT IS? THAT'S WHAT IT SAYS ON WORK ORDER. THE PROBLEM STILL EXISTS. I BELIEVE THERE ARE BULLETINS OUT ON THIS TRUCK'S TRANSMISSION ALREADY. I HAVE TALKED TO OTHERS WHO HAVE HAD THE SAME PROBLEM.

196. Another incident involving a 2015 Chevrolet Silverado was reported on May 12, 2016:

TL* THE CONTACT OWNS A 2015 CHEVROLET SILVERADO 1500. WHILE DRIVING 30 MPH, THE VEHICLE DOWNSHIFTED UNCONTROLLABLY WITHOUT WARNING. ALSO, WHILE IN THE PARK POSITION, THE VEHICLE SUDDENLY LUNGED FORWARD AND HAD TO BE RESTARTED. THE CONTACT STATED THAT THE TRANSMISSION INDEPENDENTLY ENGAGED INTO FIRST GEAR WITHOUT WARNING AND CAUSED THE VEHICLE TO SHIFT FORWARD ON MORE THAN ONE OCCASION. THE VEHICLE RECEIVED AN UNKNOWN REPAIR, BUT THE FAILURE RECURRED. THE MANUFACTURER WAS MADE AWARE OF THE FAILURE. THE FAILURE

197. Another incident involving a 2015 Chevrolet Silverado was reported on June 8, 2016:

THE TRUCK HAS A CONSTANT VIBRATION AT HIGHWAY SPEEDS. TWO DIFFERENT DEALERS HAVE VERIFIED THE PROBLEM, GM FIELD ENGINEERS VERIFIED THERE IS AN ISSUE, AND THE ENGINEER RECOMMENDED THE DEALER CHANGE REAR END PARTS, STILL NO FIX. TWO DIFFERENT DEALERS FELT ROADFORCE BALANCING THE TIRES WOULD HELP; IT HAS NOT. THE TRUCK ALSO MAKES A CHIRPING NOISE WHEN TRANSITIONING FROM 4 CYLINDERS BACK TO 8 CYLINDERS.

198. Another incident involving a 2015 Chevrolet Silverado was reported on July 14, 2016:

I AM CONCERNED ABOUT THE EXCESSIVE SHAKING/VIBRATION IN THIS 2015 CHEVY SILVERADO AND, THUS FAR, GM CUSTOMER SERVICE AND THE DEALERSHIP HAVE NO RESOLUTION IN SIGHT. THE PROBLEM HAS BEEN OCCURING AT HIGHWAY SPEEDS (MOST NOTABLE ABOVE 73 MPH) SINCE THE TRUCK WAS PURCHASED AUG 2015. AS THEY CAN'T IDENTIFY THE CAUSE OF THE PROBLEM, I CAN'T BE SURE THE ORIGIN IS OR IS NOT A SAFETY-REATED CONCERN. THE DEALERSHIP HAS BALANCED, RE-BALANCED, ROTATED, AND ROAD PRESSURE TESTED TIRES TO NO AVAIL. EVEN TRIED A NEW SET OF TIRES OFF OF A 2016 MODEL TO NO AVAIL. AS THIS MATTER CONTINUES AND DOESN'T APPEAR TO BE TIRE-RELATED, I'M WORRIED THAT THE ISSUE MAY BE IN THE SUSPENSION AND WILL, AT SOME POINT, CAUSE OR CREATE A CATASTROPHIC FAILURE.

199. Another incident involving a 2015 Chevrolet Silverado was reported on August 8, 2016:

TL* THE CONTACT OWNS A 2015 CHEVROLET SILVERADO 1500. UPON DEPRESSING THE ACCELERATOR PEDAL, THE VEHICLE WAS EXTREMELY SLOW TO ACCELERATE WITH A DRASTIC REDUCTION IN SPEED WITHOUT WARNING. THE VEHICLE WAS TAKEN TO TWO DEALERS WHO WERE UNABLE TO REPLICATE AND DIAGNOSE THE FAILURE. THE MANUFACTURER WAS NOTIFIED OF THE FAILURE AND PROVIDED NO RECOMMENDATION OR REPAIR SOLUTION. THE FAILURE MILEAGE WAS NOT AVAILABLE.

200. Another incident involving a 2015 Chevrolet Silverado was reported on August 20, 2016:

THE TRANSMISSION HESITATES WHEN SHIFTING IN AUTOMATIC BUT WHEN IN MANUAL MODE IT SHIFTS FINE WITH NO ISSUES. THIS HAS BEEN A ON GOING ISSUE AND PROBLEM THE SERVICE CENTER FOR A LOCAL DEALERSHIP CAN NOT FIND THE ISSUE. BUT THERE IS SOMETHING GOING ON WITH THE TRANSMISSION.

201. Another incident involving a 2015 Chevrolet Silverado was reported on September 14, 2016:

TL* THE CONTACT OWNS A 2015 CHEVROLET SILVERADO 1500. WHILE DRIVING 10 MPH, THE ACCELERATOR PEDAL WAS DEPRESSED AND THE VEHICLE ACCELERATED IN EXCESS. THE VEHICLE WAS TAKEN TO A DEALER WHERE IT WAS DIAGNOSED THAT THE WIRING HARNESS, PART OF THE TRANSMISSION, AND MULTIPLE

OTHER PARTS NEEDED TO BE REPLACED. THE VEHICLE WAS REPAIRED; HOWEVER, THE FAILURE RECURRED. IN ADDITION, WHILE DRIVING AT A VERY LOW SPEED, "HAUL GEARS" DISPLAYED ON THE MESSAGE BOARD AS THE VEHICLE SWITCHED INTO A LOW GEAR INDEPENDENTLY. THE MANUFACTURER WAS NOTIFIED OF THE FAILURES. THE FAILURE MILEAGE WAS 3,000. THE VIN WAS UNAVAILABLE.

202. Another incident involving a 2015 Chevrolet Silverado was reported on September 26, 2016:

I PARK IN A 5 LEVEL PARKING GARAGE.
SEVERAL MONTHS AGO, I WAS LEAVING WHEN I CAME UP TO THE RAMP TO THE NEXT LOWER LEVEL. I LET OFF ON THE ACCELERATOR BEFORE I WENT FROM FLAT TO LOWERING RAMP. THE TRUCK SHIFTED UP TO SECOND GEAR, ACCELERATED AND THROUGH ME TOWARD THE VEHICLE IN FRONT. THE TRUCK WENT OUT OF MY CONTROL. IF I WERE NOT A SAFE DRIVER I WOULD HAVE STRUCK THE VEHICLE. THIS ISSUE HAS OCCURRED ANOTHER TIME AS WELL. THERE HAVE BEEN OTHER PROBLEMS WHICH ARE NUMEROUS. I WILL ADDRESS THEM INDIVIDUAL IN FURTHER COMPLAINTS.

203. Another incident involving a 2015 Chevrolet Silverado was reported on September 27, 2016:

ON SEPT 21 2016 I ARRIVED AT MY HOME. I DROVE UP MY GRAVEL DRIVEWAY IN D(DRIVE) AND SLOWED TO A STOP AND MY TRUCK BEGAN TO ROLL BACKWARD UNDER MY CONTROL. I WAS CHECKING ON THE GROUND FOR LAWN DAMAGE. THE TRUCK

SHUTTERED TWICE, SHUT OFF AND STARTED TO ROLL BACKWARD TOWARD A TREE. I QUICKLY REGAINED CONTROL WITH A PANIC STOP. I WAS ABLE TO PLACE THE TRUCK IN PARK AND RESTART THE TRUCK. I HAD LOST CONTROL OF THE TRUCK.

204. Another incident involving a 2015 Chevrolet Silverado was reported on November 9, 2016:

TRANSMISSION IS LURCHING IF DRIVING 50 MPH THEN SLOW DOWN TO 35 MPH WHEN YOU GO TO SPEED BACK UP IT LURCHES.
COMPLAINED TO CHEVROLET SEVERAL TIMES THEY SAY CANNOT FIND ANYTHING WRONG.

205. Another incident involving a 2015 Chevrolet Silverado was reported on December 12, 2016:

TL* THE CONTACT OWNS A 2015
CHEVROLET SILVERADO 1500. WHILE DRIVING APPROXIMATELY 45 MPH, THE CHECK ENGINE INDICATOR ILLUMINATED. THE VEHICLE STARTED TO DECELERATE WHEN DEPRESSING THE ACCELERATOR PEDAL. THE VEHICLE WAS TAKEN TO THE DEALER, BUT WAS NOT DIAGNOSED OR REPAIRED. THE MANUFACTURER WAS MADE AWARE OF THE FAILURE. THE APPROXIMATE FAILURE MILEAGE WAS 33,000.

206. Another incident involving a 2015 Chevrolet Silverado was reported on December 13, 2016:

TL* THE CONTACT OWNS A 2015 CHEVROLET SILVERADO 1500. THE CONTACT STATED THAT WHILE DRIVING AT VARIOUS SPEEDS, THERE WAS A LOUD CLUNKING NOISE COMING FROM

THE REAR OF THE VEHICLE. THE CONTACT STATED THAT THE FAILURE OCCURRED AFTER SHIFTING GEARS. THE VEHICLE WAS NOT REPAIRED. THE MANUFACTURER WAS MADE AWARE OF THE FAILURE. THE FAILURE MILEAGE WAS 17,000.

g. <u>2016 Chevrolet Silverado</u>

207. On the NHTSA website, there are at least 250 consumer complaints for "2016 Chevrolet Silverado." As one example, on May 11, 2016, the following incident was reported:

I BOUGHT A 2016 CHEVY SILVERADO 1500 LTZ Z71 AND IT VIBRATES AT IDLE AND THE TRANSMISSION IS SLIPPING. I HAD ALREADY TOOK IT TO THE DEALERSHIP TO GET IT FIX, BUT NO LUCK. GM TOLD ME THAT IS HOW THE TRUCK IS DESIGNED TO OPERATE. WHICH IS HARD TO BELIEVE. THERE IS ABSOLUTELY ZERO HELP FROM GM TO HELP ME RESOLVE THE PROBLEM. I WAS GIVEN AN OPTION TO TRADE IT IN FOR A NEW ONE AT MY OWN EXPENSES OR DEAL WITH THE PROBLEM. FORD WOULD NOT TAKE MY TRUCK AS A TRADE IN NOR WILL GMC. THIS VEHICLE CAN POTENTIALLY BY DANGEROUS AND A LIABILITY AS THE TRANSMISSION SEEM TO HAVE A MIND OF ITS OWN AND THE CONSTANT VIBRATION CANNOT POSSIBLY HE GOOD FOR ANYONE.

208. Another incident involving a 2016 Chevrolet Silverado was reported on October 3, 2016:

THE ISSUE(S) THAT I AM EXPERIENCING ALL APPEAR TO BE WITH THE TRUCKS 8 SPEED TRANSMISSION. THE FIRST TWO OCCUR DURING BREAKING AND THE THIRD HAPPENS

WHEN ACCELERATING FROM A "COLD" START. A DESCRIPTION OF EACH OF THE THREE MAJOR ISSUES ARE OUTLINED BELOW:

- 1) DURING INITIAL BREAKING THE TRUCK WILL BEGIN TO SLOW DOWN AS INTENDED AND WITHOUT WARNING IT ABRUPTLY ACCELERATES/SLIDES FORWARD (SEE BREAKING PROFILES). THIS TYPICALLY HAPPENS BETWEEN 10-20 MPH.
- 2) DURING BREAKING JUST BEFORE COMING TO A STOP I EXPERIENCE A HARD JERK OR SHUDDER (SEE BREAKING PROFILES).
- 3) DURING A "COLD" START, IN THE MORNING OR AFTER WORK, THE TRANSMISSION WILL SOMETIMES SLIP AND SHIFT HARD WHILE PULLING OUT OF MY DRIVEWAY/PARKING LOT.

THE ISSUES ARE ALL INTERMITTENT.

209. Another incident involving a 2016 Chevrolet Silverado was reported on October 16, 2016:

I HAD TWO EPISODES OF SUDDEN UNINTENDED ACCELERATION WHILE DRIVING HIGHWAY SPEEDS ON A HIGHWAY. TRUCK IS WEEKS OLD-1500MILES ONLY. BRAKES STILL WORKED SO I WAS ABLE TO STOP. RPMS CONTINUED TO ESCALATE IN NEUTRAL AND PARK. HAD TO TURN OFF ENGINE QUICKLY TO ABORT THE PROBLEM. I'M TAKING THE TRUCK IN FOR EVALUATION TOMORROW. MY WIFE AND TWO OLDEST SONS WERE IN THE VEHICLE. *TR

210. Another incident involving a 2016 Chevrolet Silverado was reported on November 15, 2016:

TL* THE CONTACT OWNS A 2016
CHEVROLET SILVERADO 1500. WHILE
ATTEMPTING TO ACCELERATE FROM A STOP,
THE VEHICLE FAILED TO ACCELERATE. THE
CONTACT COASTED INTO A PARKING LOT AND
NOTICED THAT THE FRONT PASSENGER SIDE
AXLE INDEPENDENTLY SHIFTED TO THE REAR
OF THE CHASSIS, WHICH POTENTIALLY CAUSED
A SPARK TO THE TIRES. THE VEHICLE WAS
TAKEN TO THE DEALER, BUT WAS NOT
DIAGNOSED OR REPAIRED. THE
MANUFACTURER WAS MADE AWARE OF THE
FAILURE. THE FAILURE MILEAGE WAS
APPROXIMATELY 4,000.

h. 2017 Chevrolet Silverado

211. On the NHTSA website, there are at least 140 consumer complaints for "2017 Chevrolet Silverado." As one example, on July 20, 2018, the following incident was reported:

8 SPEED TRANSMISSION CLUNKS WHEN SHIFTING INTO 2 GEAR AND AT TIMES FEELS LIKE YOU GOT REAR ENDED. WHEN IT DOWN SHIFTS INTO THE LOWER GEARS ITS ALSO CLUNKS AND IS NOT SMOOTH. THIS IS HAPPENING WHEN GOING AT SLOW SPEEDS AND IS WORSE AFTER A COLD START. THE VEHICLE SHIFTS FINE AT HWY SPEEDS. I HAVE ALREADY BROUGHT IT TO THE DEALERSHIP TWICE AND PROBLEM IS STILL THERE. TALKING TO OTHER PEOPLE WITH GM 8 SPEED TRANSMISSION AND THEY ARE HAVING THE SAME ISSUE. 8 SPEED TRANSMISSION NEEDS RECALL.POSSIBLY TORQUE CONVERTER.

212. Another incident involving a 2017 Chevrolet Silverado was reported on July 18, 2018:

ENGINE HESITATION, OR MISFIRING. JERKING, OR TRANSMISSION SHUTTERING WHEN ENGINE IS AT LOW RPM AND ON INCLINE. (I.E. WHEN TRAVELING ABOUT 45MPH AND START UP A HILL, THE RPM'S ARE ABOUT 1300 AND THE TRANSMISSION DOESN'T GEAR DOWN, SO IT STARTS SHUTTERING UNTIL YOU GIVE IT MORE ACCELERATION THAN USUAL.) AFTER DEALING WITH THIS ISSUE FOR NEARLY 8 MONTHS AND 15K MILES, I BELIEVE THIS SAFETY ISSUE SHOULD BE RECALLED. DEALER ORIGINALLY ACKNOWLEDGE THE PROBLEM BUT WAS UNSURE OF THE CAUSE. AFTER 5 REPAIR ATTEMPTS THE DEALER SAY THEY CAN'T DUPLICATE AND THE VEHICLE PERFORMS AS DESIGNED.

213. Another incident involving a 2017 Chevrolet Silverado was reported on May 9, 2018:

TRANSMISSION ABRUPTLY SHIFTING.
FEEL LIKE THE TRUCK IS BEING HIT BY
ANOTHER VEHICLE. I DON'T KNOW WHEN IT'S
GONNA DO IT BUT WHEN IT DOES, ITS SCARY.
THE OTHER DAY WHILE TRYING TO BACK UP
INTO MY DRIVE WAY, THE WOULD NOT MOVE
WHEN I PUSHED ON THE PEDAL. THEN ON IT'S
OWN, THE TRUCK BURNED RUBBER
BACKWARDS WHEN I TOOK MY FOOT OFF OF
THE GAS PEDAL. I ALMOST DROVE INTO MY
GARAGE! THIS TRUCK IS NOT SAFE AND NEEDS
TO BE REMOVED FROM SERVICE! THIS IS AN
ONGOING PROBLEM THAT YOU NEVER KNOW
WHEN IT'S GOING TO HAPPEN DURING YOU
DRIVE.

214. Another incident involving a 2017 Chevrolet Silverado was reported on March 27, 2018:

VEHICLE HESITATION AND SURGES IN ACCELERATION. THIS CONDITION IS A SAFETY ISSUE AS IT HESISTATES PULLING INTO TRAFFIC, SURGES IN ACCELERATION HAVE CAUSED LOSS OF TIRE TRACTION ON ICE COVERED ROADWAYS NEARLY RESULTING IN A COLLISION. DEALERS HAVE ACKNOWLEDGED AN ISSUE BUT ADVISE THEY ARE STILL WAITING ON A FIX FROM GM.

215. Another incident involving a 2017 Chevrolet Silverado was reported on March 22, 2018:

PURCHASED MY 17 CHEVROLET SILVERADO 1500 ON 11/28/17 AND RETURNED IT TO THE DEALERSHIP ON 12/1/17. THIS WAS DUE TO A SEVERE SHUDDERING & SHIFTING IN THE TRANSMISSION & SEVERE SHAKE IN THE FRONT END AT 70-90MPH. THEY BALANCED & ROTATED THE TIRES, SAYING THE ISSUE WAS FIXED, I PICKED THE VEHICLE BACK UP ON 12/4/17 BUT THE ISSUE WAS NOT FIXED & AN ELECTRICAL ISSUE HAD ALSO OCCURRED. I TOOK THE VEHICLE BACK ON 12/7 /18 WITH THE SAME COMPLAINTS REGARDING THE TRANSMISSION & SHAKING IN THE FRONT END. AS WELL AS THE ELECTRICAL ISSUE. THE DEALERSHIP CALLED ME ON 12/8/17, TOLD ME THEY HAD BEEN UNABLE TO DUPLICATE THE ISSUES, FINDING NOTHING WRONG. I LEFT IT OVER THE WEEKEND, WENT IN MONDAY MORNING & SPOKE TO THE SERVICE MANAGER DIRECTLY. HE TOLD ME HE HAD PURCHASED THE SAME VEHICLE WITH THE SAME TRANSMISSION ISSUES. SAID THERE WAS A POSSIBLE FIX BY EXCHANGING THE TRANSMISSION FLUID & THEY WOULD USE A NEW MACHINE PICO TO CHECK IT OUT. THEY HAD TO REPLACE THE TORQUE CONVERTER

DUE TO MALFUNCTIONING & PERFORM A PROGRAMMING MODULE UPDATE ON RADIO, I PICKED IT UP ON 12/22/17, ISSUE WITH THE TRANSMISSION WAS STILL NOT RESOLVED. I TOOK IT TO A DIFFERENT DEALERSHIP FOR TRANSMISSION SHUDDER, SHIFT & SHAKE ISSUE MOST NOTICEABLE AT 70-90MPH, & RADIO ISSUE. THEY WERE ADVISED TO PERFORM A MODULE UPDATE ON THE TRANSMISSION & GIVEN 2 OPTIONS ON THE RADIO, THEY CHOSE TO REPLACE THE SCREEN. I TOOK IT BACK TO THAT SAME DEALERSHIP, MODULE UPDATE MADE TRANSMISSION/FRONT END ISSUE WORSE, ESPECIALLY COMING OUT OF A CURVE. THEY'VE REPLACED MY 2 BACK TIRES SAID THEY WERE BAD & SHOULD FIX THE SHAKING ISSUE IN THE FRONT END. UNABLE TO **DUPLICATE TRANSMISSION ISSUES THUS THEY** CANNOT REPAIR IT. OWNERS WITH THE SAME ISSUES ARE BEING TOLD GM KNOWS BUT CAN'T FIX TRANSMISSION ISSUE.

216. Another incident involving a 2017 Chevrolet Silverado was reported on February 27, 2018:

TRUCK EXHIBITS A ROUGH IDLE AFTER
TRUCK IS DRIVEN AND WARM. IDLE CAUSES
TEH TRUCK TO SHAKE AND FEELS LIKE IT WILL
DIE AT STOPS. RPM DROPS BELOW 300 RPM
THEN GOES BACK TO 490 RPM. IN ADDITION THE
TRUCK WILL START TO SHAKE AND VIBRATE
AT HIGHWAY SPEEDS OF 75-80 MPH. GMC
SERVICE PERFORMED TSB CHANGING OUR
ENGINE MOUNTS BUT THAT HAS NOT FIXED
THE ISSUE. THIS IS A KNOWN ISSUE ON
SILVERADOS AND NO FIX IN SITE. CONCERNED
WITH SEAT VIBRATION THIS IS A SAFETY ISSUE
DUE TO POTENTIAL DRIVE TRAIN PART
FAILURE.

217. Another incident involving a 2017 Chevrolet Silverado was reported on February 26, 2018:

8 SPEED TRANSMISSION SHIFT VERY ROUGH FROM 1-2 AND 2-1 GEARS, FREQUENTLY HESITATES, MAKES CLUNKING SOUND. HAVE TAKEN IT TO GM DEALER AND AM INFORMED THAT YES, THAT'S THE WAY THE 8 SPEEDS ARE. THIS IS A \$50K+ TRUCK. THIS TRANSMISSION ISSUE CAUSES AND CAN CAUSE HESITATION WHEN NEEDING TO ACCELERATE, THUS CREATING A SAFETY HAZARD.

218. Another incident involving a 2017 Chevrolet Silverado was reported on February 13, 2018:

TRANSMISSION SHIFTS HARD AND VEHICLE SURGES AT LOW SPEED WITH ACCOMPANING "CLUNK". PROBLEM OCCURS IN BOTH UPSHIFT AND DOWN SHIFT. DEALER INFORMS ME THAT IS A "LEARNING" CURVE FOR VEHICLE TO UNDERSTAND MY DRIVING HABITS. HOWEVER I SEE ON SEVERAL AUTOMOTIVE FORUMS THAT THIS HAS BEEN AN ISSUE FOR SOME TIME AND HAS YET TO BE RESOLVED.

219. Another incident involving a 2017 Chevrolet Silverado was reported on February 1, 2018:

THE CONTACT OWNS A 2017 CHEVROLET SILVERADO 1500. WHILE DRIVING 25 MPH, THE VEHICLE SHIFTED HARD FROM FIRST TO SECOND GEAR. THE FAILURE OCCURRED EVERYDAY SINCE THE VEHICLE WAS PURCHASED IN APRIL OF 2017. THE VEHICLE WAS TAKEN TO O'REILLY CHEVROLET (6160 E BROADWAY BLVD, TUCSON, AZ 85711) WHERE

IT WAS DIAGNOSED THAT THE TRANSMISSION CONTROL MODULE FAILED. THE DEALER REPROGRAMMED THE TRANSMISSION, WHICH FAILED TO REMEDY THE FAILURE. THE VEHICLE WAS BROUGHT BACK TO THE DEALER AND THE VALVE BODY FOR THE TRANSMISSION WAS REPLACED AND THE TRANSMISSION FLUID WAS CHANGED. THE FAILURE RECURRED. THE MANUFACTURER WAS NOTIFIED OF THE FAILURES. THE FAILURE MILEAGE WAS 16,000.

220. Another incident involving a 2017 Chevrolet Silverado was reported on January 6, 2018:

NOTICED AFTER PURCHASE THAT THERE IS VIBRATION LIKE A BAD TIRE 35-42 MPH.

VIBRATION FELT IN SEAT, CONSOLE AND STEERING WHEEL 58-65 MPH. TRANSMISSION DOWN SHIFTS HARD SOMETIMES FEELS LIKE BEING BUMPED FROM BEHIND, IT ALSO HESITATES AND JERKS AFTER LETTING OFF THE ACCELERATOR AND ACCELERATING AGAIN BETWEEN 25-45 MPH.

WHEN ACCELERATING IT SURGES, JERKS AND STUMBLES. SOMETIMES WHEN ACCELERATING THE TRANSMISSION DOWNSHIFTS AND HANGS IN THAT GEAR UNTIL YOU LET OFF THE ACCELERATOR.

UNDER HEAVY ACCELERATION THERE IS VIBRATION IN THE POWER TRAIN AND THE TRANSMISSION SEEM NOISY. AT 25 MPH IT SHUTTERS LIKE THE TRANSMISSION IS IN TO HIGH OF A GEAR UNDER LIGHT ACCELERATION.

RETURNED TO WALDORF CHEVROLET WHERE I PURCHASED IT AND WAS TOLD THEY BALANCED 2 TIRES AND RESET THE ROAD FORCE.SCANNED TRANSMISSION NO CODES TRANSMISSION OK AFTER SHOP FOREMAN ROAD TESTED FOR 21 MILES NO OTHER REPAIRS NEEDED.

PICKED IT UP DRIVING HOME NOTICED ALL THE PROBLEMS WERE STILL THERE AND AFTER INSPECTION OF MY TRANSMISSIONS NOTICED THAT THE TRANSMISSIONS WERE BALANCED STILL HAD THE OLD WEIGHTS STILL ON THE TRANSMISSIONS WITH NEW WEIGHTS ALSO.

MADE ANOTHER APPOINTMENT THIS TIME TO HAVE SHOP FOREMAN (RICK) RIDE WITH ME TO SHOW HIM WHAT IT WAS DOING WHICH WE DID AND LEFT MY TRUCK AGAIN.

AFTER 8 DAYS I AM TOLD IT WAS READY I WAS TOLD THEY DID A PICO SCOPE TEST AND THE DRIVESHAFT WAS BEING REPLACED THEN ONLY TESTED IT WAS OK. CHECKED RUN OUT ON FLANGES ALL WITHIN SPECS. FOUND THE RIGHT REAR TIRE BAD. THEY PUT STEEL WHEEL FROM ANOTHER TRUCK ON AND ROAD TESTED WITH NO CHANGE. THEY DROVE ANOTHER TRUCK AND IT RIDES THE SAME. EVEN HAS THE SHUTTERS ON HARD ACCELERATION. SAID THEY CALLED GM TAC BACK AND THEY DONT SEE A PROBLEM WITH THIS.

WRITTEN DOCUMENTS BE SENT VIA MAIL.

MADE ANOTHER APPOINTMENT

221. Another incident involving a 2017 Chevrolet Silverado was reported on October 27, 2017:

TRANSMISSION ON MY NEW 2016 Z71 LT 4X4 JUMPS INTO LOW GEAR WHEN SLOWING DOWN. I TOOK IT TO THE DEALERSHIP MULTIPLE

TIMES, BUT KEEP GETTING TOLD IT SHIFTS FINE. TOOK IT AGAIN AND HAD A MANAGER DRIVE THE TRUCK WITH ME INSIDE AND AGREED THE TRANSMISSION WAS NOT GETTIN INTO GEAR IN A NORMAL WAY. TOON IT BACK TO GET IT FIXED AND WAS TOLD TRANSMISSION IS FINE. I NEED THIS FIXED OR I WILL BE RETURNING HE TRUCK AS A LEMON TITLE.

222. Another incident involving a 2017 Chevrolet Silverado was reported on April 5, 2017:

THE CONTACT OWNS A 2017 CHEVROLET SILVERADO 1500. WHILE DRIVING 45 MPH, THE TRANSMISSION FAILED TO SHIFT PROPERLY AND MADE A CLUNKING SOUND. THE FAILURE RECURRED MULTIPLE TIMES. THE VEHICLE WAS TAKEN TO A DEALER WHERE IT WAS DIAGNOSED THAT THE TRANSMISSION FAILED AND NEEDED TO BE REPROGRAMMED. THE VEHICLE WAS REPAIRED, BUT THE FAILURE RECURRED. THE MANUFACTURER WAS MADE AWARE OF THE ISSUE. THE APPROXIMATE FAILURE MILEAGE WAS 30.

i. 2017 Chevrolet Colorado

223. On the NHTSA website, there are at least 46 consumer complaints for "2017 Chevrolet Colorado." As one example, on September 1, 2017, the following incident was reported:

AIR CONDITIONING IS INTERMITTENT/BLOWS WARM/EMITS FOG FROM VENTS. THE DEALER SAYS NO FIX AVAILABLE YET CITES PER DOC ID:5125499.SAYS ENGINEERING IS STUDYING PROBLEM. MINE STOPS WORKING-BLOWS WARM WITH IN 1/2 HOUR. ALSO IN STOP/GO TRAFFIC THE TRANSMISSION DOWNSHIFTS

ABRUPTLY AND CAUSES TRUCK TO
ACCELERATE FORWARD-HAVE TO APPLY
BRAKES HARD TO AVOID COLLISION. DEALER
SAYS CAN NOT REPEAT BUT SHIFTING IS
CONSISTENTLY ABRUPT AND I HAVE ASKED
ABOUT SOFTWARE UPDATES TO ALLIEVIATE
THIS SAFTY CONCERN TO NO AVAIL

224. Another incident involving a 2017 Chevrolet Colorado was reported on September 13, 2017:

THE CONTACT OWNS A 2017 CHEVROLET COLORADO. WHILE DRIVING AT AN UNKNOWN SPEED, THE VEHICLE ACCELERATED AND JERKED. ADDITIONALLY, THE BRAKES WERE APPLIED, BUT FAILED TO RESPOND AND THE BRAKE PEDAL TRAVELED TO THE FLOORBOARD. IN ADDITION, THE CONTACT HEARD AN ABNORMAL SCRATCHING NOISE. THERE WERE NO WARNING INDICATORS ILLUMINATED. THE VEHICLE WAS TAKEN SEVERAL TIMES TO GILROY CHEVROLET (6720 AUTOMALL CT, GILROY, CA 95020, 408-842-9301), BUT THEY WERE UNABLE TO DUPLICATE THE BRAKE FAILURE. THE DEALER DIAGNOSED THE ACCELERATION FAILURE AS THE FOUR WHEEL DRIVE BEING ENGAGED. THE VEHICLE WAS NOT REPAIRED. THE MANUFACTURER WAS NOTIFIED AND PROVIDED CASE NUMBER: 8-4000-730943. NO FURTHER ASSISTANCE WAS PROVIDED. THE FAILURE MILEAGE WAS APPROXIMATELY 17,759.

225. Another incident involving a 2017 Chevrolet Colorado was reported on November 1, 2017:

WHEN AUTOMATIC TRANSMISSION DOWNSHIFTS INTO 1ST GEAR COMING TO A STOP, IT LUNGES FORWARD. IF WHEN NOSING INTO A PARKING SPACE WITH ANY KIND OF POLE OR VEHICLE DIRECTLY IN FRONT OF MY TRUCK, NOT LEAVING ENOUGH SPACE MY TRUCK WOULD HIT WHATEVER. WHEN DRIVING SLOWLY WITH MY 8 SPEED AUTOMATIC TRANSMISSION SOMETIMES IT RATTLES AS IF I AM ON A RUMBLE STRIP AND SOMETIMES IT JUST CLUNKS OR THUDS. THIS AND OTHER SHIFT ISSUES MAKE ME EVEN MORE HYPER VIGILANT WHEN DRIVING. 6 MONTHS AFTER I PURCHASED MY BRAND NEW 2017 COLORADO, DURING A SPELL OF NEGATIVE DEGREE WEATHER I LOST THE FOLLOWING: MY CRUISE CONTROL, TRACTION CONTROL, FOUR-WHEEL DRIVE; MY ENGINE LIGHT CAME, OIL LIGHT ALL LIGHTS CAME ON AND MY RADIO STOPPED WORKING. I WAS TOLD BY MY CHEVY DEALER THAT THIS WAS NORMAL IN COLD WEATHER. NEXT. I WAS INFORMED IT MUST BE BECAUSE I WASHED MY VEHICLE THE DAY BEFORE. THIS WENT ON FOR A FEW MONTHS. WITH ME SHOWING THEM VIDEOS AND THEM TELLING ME THEY COULD NOT DUPLICATE THE ISSUE. OCTOBER OF 2018 THEY REPLACED MY RADIO BECAUSE EVIDENTLY THE RADIO HAD A BULLETIN THAT SHOWED ALL OF THE THINGS I HAD COMPLAINED ABOUT. I WANT TO SAY THIS HAPPENED IN EXCESS OF 10 OR MORE TIMES. DRIVING TO MY MOTHERS ONE EVENING IN THE DARK MY DASH LIGHTS WERE NOT DIMMING CORRECTLY AND THEN WENT OUT. AS I GOT TO A FOUR WAY INTERSECTION WITH CARS COMING THEY CAME ON SO BRIGHTLY I ALMOST GOT IN AN ACCIDENT WHICH PROMPTED ME TO MAKE AN APPOINTMENT AND I WASN'T WILLING TO HEAR SILLY EXCUSES.

226. Another incident involving a 2017 Chevrolet Colorado was reported on

April 9, 2018:

8 SPEED AUTOMATIC TRANSMISSION - ROUGH SHIFTING, USUALLY WHEN DRIVING BETWEEN 40 AND 60 MILES PER HOUR. TRUCK INTERMITTENTLY FEELS LIKE IT IS RIDING OVER RUMBLE STRIPS. TRANSMISSION SEEMS TO BE HUNTING. POSSIBLE ISSUE WITH TORQUE CONVERTER.

227. Another incident involving a 2017 Chevrolet Colorado was reported on April 30, 2018:

8-SPEED AUTOMATIC TRANSMISSION IN INDECISIVE WHEN IT COMES TO SHIFTING BETWEEN LOWER GEARS WHILE DRIVING. TRANSMISSION MAKING CLUNKING "THUD" SOUND WHEN SHIFTING OUT OF PARK AND INTO REVERSE. GEAR HUNTING EXPERIENCED AT LOWER SPEEDS AND GEARS WHILE VEHICLE ATTEMPTS SHIFTING.

228. Another incident involving a 2017 Chevrolet Colorado was reported on May 15, 2018:

I HAVE HAD REPEATED ISSUES WITH THE TRANSMISSION AND THE TRANSMISSION WILL NOT SHIFT OUT OF 5TH GEAR WHEN IN TOW MODE AND WHEN TOWING LOAD UNDER SPECIFICATIONS. I HAVE STARTED THE LEMON LAW PROCESS BUT THE MANUFACTURER HAS DENIED MY CLAIM AS OF TODAY.

229. Another incident involving a 2017 Chevrolet Colorado was reported on May 15, 2018:

AT 21000 MILES FELT LIKE DRIVING OVER RUMBLE STRIPS AND TACH WOULD MOVE IN

CRUISE. DEALER FLUSHED TRANS. 4 MONTHS
LATER AT 29000 MILES SAME PROBLEM BUT
NOW SHIFTING HARD NOTICED DURING
ACCELERATION AND DECELERATION.
CHANGED OUT CONVERTER AND FLUSH. NOW 3
MONTHS LATER AND ONLY 2500 MILES LATER
IT HAS STARTED ALL OVER AGAIN. SO BACK TO
THE DEALER I WILL GO. AM STARTING TO
REGRET BUYING A CHEVY INSTEAD OF
STAYING WITH MY TRUSTY FORD

230. Another incident involving a 2017 Chevrolet Colorado was reported on June 21, 2018:

8 SPEED TRANSMISSION HAS HARD SHIFT WHEN AT LOW SPEEDS AND WHEN GOING INTO REVERSE

231. Another incident involving a 2017 Chevrolet Colorado was reported on June 19, 2018:

WHEN DRIVING AT LOW SPEEDS MY 8 SPEED AUTO TRANSMISSION - CLUNKS OR THUDS - SPECIALLY FROM 1ST - 2ND - ITS SOUNDS LIKE A BANG - TOOK IT TO DEALER -SAID CHEVY KNOWS ABOUT IT - BUT THERE IS NO FIX YET.....GREAT!

232. Another incident involving a 2017 Chevrolet Colorado was reported on June 30, 2018:

WHEN AUTOMATIC TRANSMISSION
DOWNSHIFTS INTO 1ST GEAR COMING TO A
STOP, IT DOES SO HARSHLY AND LUNGES
FORWARD. WHEN NOSING INTO A PARKING
SPACE WITH A CONCRETE WALL AT THE FRONT
OF THE PARKING SPACE, IF I HAD NOT
ALLOWED ENOUGH SPACE FOR THE LUNGE,
THE VEHICLE WOULD HAVE IMPACTED THE

WALL. THIS CONDITION, ALONG WITH OTHER TRANSMISSION SHIFT IRREGULARITIES, HAPPENS PERIODICALLY AND I MUST REMAIN AWARE, ESPECIALLY COMING TO A STOP NEAR A CROSS WALK.

233. Another incident involving a 2017 Chevrolet Colorado was reported on July 7, 2018:

EXPERIENCING ELECTRICAL PROBLEMS
CAUSING STARTING ISSUES, WHILE DRIVING
FAILURES IN DASH INDICATOR LIGHS,
SPEEDOMETER, TACHOMETER, SHIFT CONTROL
INDICATOR LIGHTS, AND TRANSMISSION
CONTROL. LOSS OF POWER TO THE POINT
TRUCK ALMOST COMES TO A STOP AND THEN
SURGES, TWICE IT HAS ACCELERATED
TRAVELING UP TO 50FT ESTIMATED.

234. Another incident involving a 2017 Chevrolet Colorado was reported on July 11, 2018:

TRUCK BOGS DOWN, LOOSES POWER WHEN TAKING OFF FROM A STOP. FRONT TIRES FEEL LIKE THEY ARE SKIPPING EVEN THOUGH TRUCK IS IN 2 WHEEL DRIVE ESPECIALLY UP HILL. ONCE TRUCK GETS GOING IT RUMBLES AND VIBRATES SO MUCH IT BOTHERS YOUR EARS, CONSTANTLY LOOSING POWER AND SPEED AS YOUR DRIVING. WAS TOLD IT WAS THE TORQUE CONVERTER AND IT WAS REPLACED. TRUCK CONTINUED TO HAVE SAME ISSUE. TRUCK THEN "BLEW UP" (DEALERSHIP WORDS) WHILE I WAS DRIVING 75 MPH DOWN THE HIGHWAY. DEALERSHIP STATED "IT WAS LIKE YOUR TRUCK WENT INTO LOW GEAR WHILE YOU WERE DRIVING AND IT SHOULD NEVER BE ABLE TO DO THAT". HAD FLUID

FLUSH AND REPLACED AGAIN AND RUMBLING AND POWER LOSE STILL OCCURRING.

235. Another incident involving a 2017 Chevrolet Colorado was reported on August 19, 2018:

THE VEHICLE HAS A SHUDDER IN THE TRANSMISSION UNDER LIGHT THROTTLE ACCELERATION BETWEEN ABOUT 50 AND 80 MPH ON THE HIGHWAY. IT FEELS AS IF I'M DRIVING OVER RUMBLE STRIPS ON THE ROAD FOR ABOUT A SECOND. THEN IT WILL STOP FOR A SECOND OR TWO, AND THEN SHAKE AGAIN FOR A SECOND. WITHOUT THROTTLE, NO SHAKING OCCURS. THIS HAS BEEN OCCURRING FOR ABOUT TWO WEEKS, OR PERHAPS THE LAST 500 MILES. IT MIGHT BE DESCRIBED BY BULLETIN 18-NA-177.

236. Another incident involving a 2017 Chevrolet Colorado was reported on September 18, 2018:

SEPT 2018 HAVE NOTICED THAT TRUCK SEEMS TO VIBRATE, SHUDDER AT 50-60MPH. VIBRATION, SHUDDERING GOT WORSE, EVEN AT 25MPT. OCTOBER, I CONTACT SERVICE ADVISOR WHO BELIEVES MIGHT BE TORQUE CONVERTER NEED APPT TO VERIFY NOVEMBER FINALLY GOT APPT WITH SERVICE DEPT. THEY VERIFY IT IS TORQUE CONVERTOR AND ORDER PARTS. DECEMBER PARTS IN & TRUCK IN FOR 3 DAYS AS PARTS INSTALLED. TOLD THIS SHOULD SOLVE ISSUE, BUT CHEVROLET WORKING OF ANOTHER FIX FOR 1ST QUARTER OF 2019. TO DATE, I HAVE NOT NOTICED ANY ISSUES OF VIBRATION.DATE.

237. Another incident involving a 2017 Chevrolet Colorado was reported on

October 25, 2018:

TRANSMISSION SHUDDER. FELLS LIKE DRIVING OVER RUMBLE STRIPS. GM KNOWS OF THIS ISSUE BUT KEEPS PUTTING THESE 8 SPEED TRANSMISSIONS ON THE ROAD.

238. Another incident involving a 2017 Chevrolet Colorado was reported on November 1, 2018:

TL THE CONTACT OWNS A 2017 CHEVROLET COLORADO. WHILE DRIVING AT HIGH SPEEDS, THE VEHICLE STARTED TO VIOLENTLY VIBRATE. THE FAILURE ALSO OCCURRED WHEN ACCELERATING FROM A STOP. THE VEHICLE WAS TAKEN TO DYER CHEVROLET FORT PIERCE (4200 US HIGHWAY 1, FORT PIERCE, FL 34982, (772) 242-3116) MULTIPLE TIMES FOR THE FAILURE WHERE THE TRANSMISSION WAS SERVICED AND FLUSHED; HOWEVER, THE FAILURE RECURRED. THE VEHICLE WAS NOT REPAIRED. THE MANUFACTURER WAS MADE AWARE OF THE FAILURE AND THE CONTACT RECEIVED A CASE NUMBER. THE FAILURE MILEAGE WAS 17,000.

239. Another incident involving a 2017 Chevrolet Colorado was reported on January 5, 2019:

THE CONTACT OWNS A 2017 CHEVROLET COLORADO. WHILE DRIVING HIGHWAY SPEEDS, THE CONTACT NOTICED THAT THE TACHOMETER FLUCTUATED AND THE TRANSMISSION SHUDDERED. THE VEHICLE WAS TAKEN TO AN UNKNOWN DEALER WHERE IT WAS DIAGNOSED THAT THE TRANSMISSION TORQUE CONVERTER FAILED. THE DEALER REPLACED THE TORQUE CONVERTER AND THE TRANSMISSION WAS FLUSHED. THE DEALER

ALSO REPROGRAMMED THE TRANSMISSION COMPUTER. THE MANUFACTURER WAS CONTACTED AND PROVIDED CASE NUMBER: 94982753540. THE MANUFACTURER ISSUED TECHNICAL SERVICE BULLETIN NUMBER: 4942742 PIE0405C (ENGINEERING INFORMATION TORQUE CONVERTER SHUDDER). THE APPROXIMATE FAILURE MILEAGE WAS 13,500.

240. Another incident involving a 2017 Chevrolet Colorado was reported on January 17, 2019:

AT SPEEDS 45 MPH TRANSMISSION MAKES A LOAD THUMBING SOUND AND START SWITCHING BACK AND FORTH FOR GEAR. AT SPEEDS 60 UP TO 70 MPH A SHUDDERING STARTS MOSTLY UP GRADES AND DOWN GRADES. FROM REVIEW THERE IS A BULLETIN GM 16-NA-175. FROM WHAT I READ THIS DOESN'T FIX THE PROBLEM. THERE ARE NUMEROUS OF COMPLAINTS.

j. <u>2018 Chevrolet Colorado</u>

241. On the NHTSA website, there are at least 29 consumer complaints for "2018 Chevrolet Colorado." As one example, on April 27, 2018, the following incident was reported:

IN MAY 2018 I PURCHASED A NEW CHEVY SILVERADO LT Z71 PU. I LIVE IN COLORADO AND WHEN I DRIVE THE TRUCK DOWN THE I-70 MOUNTAIN PASS THE TRANSMISSION IS DOWNSHIFTED BEYOND WHAT IO WOULD CALL A SAFE DOWN SHIFT. IM TRAVELING DOWN THE PASS, JUST COASTING, DOWN HILL ASSIST MODE IS OFF @ ROUGHLY 55 MPH THE TRANSMISSION DOWN SHIFT HARD. THE RPM GOES FROM ~1850 TO ~3800 RPM. THE ENGINE AND TRANSMISSION AND ENGINE BOTH MAKE

A LOT OF NOISE WHEN THIS HAPPENS. I TRAVELED THE PASS ABOUT 8 TIME NOW AND THE TRUCK DOES THIS FUNNY SHIFT **EVERYTIME AND I HAVE PICTURE SHOWING 4** EVENTS. I'VE TAKING THE DRIVE INTO THE DEALER AND SINCE THE COMPUTER DOESN'T LOG A ERROR CODE THE DEALER DOESN'T KNOW WHAT TO DO. THIS PAST WEEK THEY GAVE ANOTHER 2018 P/U WITH THE SAME TRANNY AND ENGINE AND THAT TRUCK DID NOT DO THE SAME DOWNSHIFT. I BELIEVE THERE IS SOMETHING WRONG WITH MY TRUCK AND ALSO IF THIS EVENT HAPPENED IN THE WINTER ON A SNOWY ROAD THE TRUCK WOULD SPIN OUT OF CONTROL AND CAUSE A ACCIDENT AND IS A HUGE SAFETY CONCERN. I ALSO FILED A COMPLAINT WITH GM BUT THEY ARE REALLY NOT HELP TO RESOLVE THIS PROBLEM. THE DEALER LOOKED AT THE TRUCK AGAIN TODAY, NO CODES RECORDED, THE RESET THE TRANSMISSION MEMORY TODAY TO TRY AND SATISFY MY NEED TO DO SOMETHING. I NOW WAITING TO HEAR BACK FROM THE DEALER ON THE NEXT STEPS. I WILL ALSO CALL GM AGAIN TO GIVE THEM THIS INFORMATION. I AM ATTACHING PICTURE THAT CLEARLY SHOW THIS PROBLEM. I ALSO GIVEN THE DEALER THE SAME PICTURES.

242. Another incident involving a 2018 Chevrolet Colorado was reported on July 27, 2018:

CONSTANT VIBRATION/SHAKE COMING FROM THE VEHICLE AT ANY SPEED ABOVE 65 MPH. THE TRUCK HAS BEEN LIKE THIS SINCE THE DAY IT LEFT THE DEALERSHIP. WHEN ON HIGHWAY AND VIBRATION IS FELT, PUTTING THE TRUCK IN NEUTRAL DOES NOT CHANGE THE VIBRATION, SLOWING DOWN MAKES IT

SLIGHTLY WORSE, SPEEDING IT MAKES IT SLIGHTLY BETTER. FEELS LIKE THERE IS SOMETHING SERIOUSLY WRONG WITH THE GEOMETRY OF THE TRUCK MAKING IT UNSAFE TO DRIVE AT HIGHWAY SPEEDS. ROAD FORCE BALANCE WAS ALREADY DONE AND THE PROBLEM PERSISTS ON A BRAND NEW TRUCK.

243. Another incident involving a 2018 Chevrolet Colorado was reported on September 17, 2018:

CHEVY COLORADO A BAD VIBRATION IN DRIVETRAIN. TOOK TRUCK TO DEALER WHO SAID IT WAS TOROUE CONVERTER PROBLEM. IT HAS BEEN AT DEALER FOR 9 DAYS BECAUSE THEY ARE DOING 9 VEHICLES A DAY FOR THIS PROBLEM. SUPPOSEDLY THEY ARE GOING TO CHANGE TORQUE CONVERTOR, OTHERS THEY JUST CHANGE THE OIL IN TORQUE CONVERTOR. THIS IS DONE APPROXMATELY 9 TIMES A WEEK AT THIS ONE DEALER, ROSS DOWNING IN HAMMOND, LA. THIS IS THE 8SP TRANS. THAT IS USED IN SEVERAL GM REAR DRIVE CARS AND TRUCKS. MY TRUCK ONLY HAS 6300 MILES ON IT. WHEN TRYING TO PASS VEHICLES ON INTERSTATE IT VIBRATES SO BAD OVER 70 MPH I AM AFRAID TO WRECK. OTHERS I HAVE TALKED TO AT DEALERSHIP CLAIM THERE VEHICLE VIBRATES AT LOWER SPEEDS, SURGES AND MAKING NOISE. THIS DEALERSHIP DOING 9 A WEEK, THAT PROBABLY IS SEVERAL THOUSAND A WEEK STATEWIDE. THIS IS A TERRIBLE PROBLEM THAT NEEDS FIXIN. MANY THANKS.

244. Another incident involving a 2018 Chevrolet Colorado was reported on October 1, 2018:

VEHICLE DEVELOPED A VIBRATION AT 80MPH WHICH FADES IN AND OUT. TIRES WERE ROAD FORCED BALANCED, AND ALIGNMENT WAS DONE. TRANSMISSION FLUID WAS CHANGED. THE SHACKING AT 80MPH CONTINUED. ON A 30 MILE COMMUTE AT 80MPH THE VIBRATION IS EXTREME 25% OF THE TIME (LIKE DRIVING OVER A RUMBLE STRIP), MODERATE ANOTHER 25% OF THE TIME, AND THE OTHER 50% THE VIBRATION IS NOT NOTICEABLE.

245. Another incident involving a 2018 Chevrolet Colorado was reported on October 3, 2018:

MY VEHICLE SHAKES AND SHUTTERS WHEN ACCELERATING. I HAVE BROUGHT IT TO CHEVROLET OF WESLEY CHAPEL FL 3 TIMES FOR THE SAME PROBLEM. THE PROCEEDED TO DO A "FLUSH" AND HAVE REPLACED THE TORQUE CONVERTER.

246. Another incident involving a 2018 Chevrolet Colorado was reported on October 3, 2018:

SEVERAL TIMES, WHILE DRIVING RIGHT AROUND 55 MPH, THE TRANSMISSION DOWNSHIFTED FOR NO REASON ON THRUWAY CONDITIONS. WHEN THIS HAPPENED, IT WAS ALMOST LIKE SLAMMING ON THE BRAKES QUICKLY. ON ALL OCCASIONS, MY BODY LURCHED FORWARD. IF SOMEONE WAS BEHIND ME, I PROBABLY WOULD HAVE BEEN REAR ENDED. ON ANOTHER OCCASION, WITH MY SON IN THE TRUCK, WE STOPPED AT A RED LIGHT AND THE TRANSMISSION CLUNKED SO VIOLENTLY, THAT WE BOTH THOUGHT WE WERE REAR ENDED AT FIRST. I DESCRIBED THE ISSUE TO MY GM SERVICE SHOP WHO SAID

THAT THEY COULDN'T FIND AN ISSUE AND THAT THE CODES WERE ALL NORMAL. I WAS ADVISED THAT THE CLUNK AT THE RED LIGHT WAS COMMON. AS THE TRANSMISSION HAS TO RELIEVE PRESSURE. NO WAY IS THIS NORMAL! I GOT ON LINE TO REVIEW FORUMS AND IT APPEARS THIS IS A VERY PREVALENT ISSUE. YESTERDAY, I LOST MY TRANSMISSION COMPLETELY ON A THRUWAY. I HEARD A LOUD CLUNK AND THE RPMS SPIKED. I LEFT THE HIGHWAY ASAP BUT COULD NOT GO OVER 30 MPH OR THE RPMS WOULD JUST SPIKE WITHOUT MOTION RESPONSE. EXITING THE THRUWAY AT THIS SPEED WAS VERY DANGEROUS! EVEN WITH HAZARDS ON, DRIVERS SELDOM SLOW DOWN OR MOVE OVER, ESPECIALLY 18 WHEELERS. THESE TRANSMISSIONS ARE CLEARLY A SAFETY HAZARD.

247. Another incident involving a 2018 Chevrolet Colorado was reported on November 2, 2018:

THE EIGHT SPEED AUTOMATIC TRANSMISSION STUTTERS AND ACTS LIKE IT DOESN'T KNOW WHAT GEAR TO GO INTO UNDER LIGHT TO NORMAL ACCELERATION. THIS OCCURS WHILE COLD AND DURING THE WARMING PERIOD, (NORMALLY UP TO AROUND 180 DEGREES), BUT TENDS TO RESOLVE AFTER THE ENGINE IS COMPLETELY WARMED UP. THIS TRANSMISSION PROBLEM IS CONTINUOUS AND HAPPENS EVERY TIME AFTER THE VEHICLE SITS ALL NIGHT OR IF IT HAS SIMPLY SIT FOR A FEW HOURS. IT IS VERY APPARENT, OTHER PASSENGERS ASK WHAT IS WRONG WITH THE VEHICLE WHEN THEY RIDE IN IT. I BOUGHT THE VEHICLE NEW, BUT WHEN I TOOK THE TEST DRIVE IT WAS ALREADY WARMED UP.

THEREFORE I WAS UNAWARE OF THE ISSUES PRESENT. I WENT BACK TO THE SALESMAN TO DESCRIBE THE PROBLEM AND WAS INFORMED THIS HAPPENS WITH ALL THE 2018 EIGHT SPEED SILVERADO'S HE HAS DRIVEN ON THEIR LOT. I LOOKED ON THE INTERNET AND FOUND THESE TRANSMISSIONS HAVE A LEARN CYCLE, SO I DECIDED TO GIVE IT SOME TIME TO SEE IF WAS A LEARNING CURVE WITH THE COMPUTER. IT NEVER CLEARED UP. I LATER BROUGHT THE VEHICLE INTO THE DEALERSHIP FOR THE INITIAL SERVICE AND DESCRIBED WHAT HAD BEEN HAPPENING WITH IT TO THE SERVICE DEPARTMENT. I LEFT THE VEHICLE OVERNIGHT SO THE TECHNICIAN COULD DRIVE FIRST THING IN THE MORNING AND PERFORM AN SERVICES. THE NEXT DAY I WAS CALLED AND TOLD MY VEHICLE WAS READY. UPON ARRIVAL I WAS INFORMED THE TECHNICIAN WAS ABLE TO DUPLICATE THE PROBLEMS I DESCRIBED. BUT IT WAS NORMAL FOR THE EIGHT SPEED TRANSMISSION. HOWEVER, IT BECOMES WORSE TO BRING IT BACK IN FOR FURTHER DIAGNOSIS. I CALLED GM, THEY ALSO LOOKED INTO THE CASE FOR ABOUT A WEEK, THEN CALLED BACK AND STATED THAT IS NORMAL FOR THE TRANSMISSION. I BOUGHT THE VEHICLE NEW WITH ABOUT 2,500 MILES ON IT, (DEMO), AND HAVE HAD IT ONLY A FEW MONTHS. IT CURRENTLY HAS LESS THAN 10,000 MILES ON IT.

248. Another incident involving a 2018 Chevrolet Colorado was reported on November 16, 2018:

I HAVE A 2018 CHEVROLET COLORADO LT 4WD CREW CAB. MULTIPLE TIMES ON A COLD START THE ENGINE IS MISFIRING. THE CHECK ENGINE LIKE COMES ON, THE VSA, AND T/C LIGHTS ALL COME ON AND A NOTIFICATION ON THE DASH SAYING STABILITRAK IS DISABLED. THE VEHICLE SHAKES TERRIBLY. THE CHECK ENGINE LIGHT WILL FLASH AND THEN GO SOLID. I AM AN AUTOMOTIVE TECHNICIAN. I KNOW THAT A MISFIRE SHOULD SET A HARD DTC. WHEN THE VEHICLE IS TURNED OFF AND STARTED SEVERAL HOURS LATER THERE IS NO CHECK ENGINE LIGHT OR ANY OTHER LIGHT ON. THE DEALERSHIP IN MARYSVILLE, OH HAD MY TRUCK FOR 3 DAYS AND TOLD ME THEY CLEANED A BUNCH OF TERMINALS AT SEVERAL CONNECTORS. WHATEVER THAT IS SUPPOSED TO DO. THEY SAID THEY STARTED THE VEHICLE SEVERAL TIMES AFTER AND EVERYTHING WAS GOOD. THE NEXT DAY AFTER I PICKED THE TRUCK UP, IT DID THE SAME EXACT THING! EXTREMELY FRUSTRATING! I KNOW A CONTINUOUS MISFIRE LET'S UNBURNED FUEL INTO THE CATALYTIC CONVERTER WHICH LEADS TO PREMATURE BREAKDOWN OF THE CATALYST. SO MY **OUESTION IS WHAT IS BEING DONE ABOUT** THESE ISSUES? ANOTHER ISSUE IS WITH THE TRANSMISSION. ON A COLD START THERE IS A CLUNK NOISE. THEN WHEN YOU ARE DRIVING AT CRUISING SPEED AND YOU LET OFF THE THROTTLE AND DEPRESS THROTTLE AGAIN THERE IS A SHUDDER. ALSO, WHEN YOU COME TO A COMPLETE STOP THE VEHICLE TRIES TO JOLT FORWARD. THIS IS EXTREMELY CONCERNING ESPECIALLY ON A VEHICLE WITH ROUGHLY 18,000 MILES ON IT. THIS NEEDS TO BE ADDRESSED PROMPTLY!!

249. Another incident involving a 2018 Chevrolet Colorado was reported on January 28, 2019:

NOTICED A "SHUDDERING" IN THE TRANSMISSION DURING LIGHT ACCELERATION BETWEEN 40-60MPH AROUND 1500RPM. WHOLE TRUCK VIBRATES LIKE YOU ARE DRIVING OVER RUMBLE STRIPS. ONLY 4150 MILES ON THE TRUCK!

k. 2015 GMC Sierra

250. On the NHTSA website, there are at least 385 consumer complaints for "2015 GMC Sierra." As one example, on January 28, 2015, the following incident was reported:

I HAD MADE A COMPLAINT TO CHAPDELAINE BUICK- GMC THAT MY BRAND NEW TRUCK DID NOT SEEM TO GO INTO FOUR WHEEL DRIVE. I WAS TOLD TO BRING THE TRUCK TO THE DEALERSHIP AND THEY WOULD CHECK IT FOR ME. I WAS TOLD BY THE SERVICE DEPARTMENT THAT THE TRUCK WORKED JUST FINE IN FOUR WHEEL DRIVE. I THEN NOTICED THAT THE TRUCK SEEM TO SHIFT VERY ROUGH AND I CALLED THE SERVICE DEPARTMENT AND TOLD THEM THAT SOMETHING HAD TO BE WRONG. THE SERVICE DEPARTMENT ASKED ME TO BRING THE TRUCK BACK DOWN TO THEM THE NEXT DAY AND THEY WOULD TAKE IT FOR A TEST DRIVE. WHILE I WAS DRIVING THE TRUCK TO THE DEALERSHIP IT SHIFTED FROM DRIVE INTO NEUTRAL.I COASTED TO A STOP PUT THE VEHICLE INTO PARK SHUT OFF AND RESTARTED THE ENGINE AND THEN SHIFTED BACK INTO DRIVE AND TRIED TO DRIVE AGAIN. THIS TIME THE VEHICLE SERVICE ENGINE LIGHT CAME ON AND THE VEHICLE STAYED IN LOW GEAR AND WOULD NOT SHIFT INTO A HIGHER GEAR. THE BEST SPEED I COULD MAKE WAS 10 MPH. I STOPPED THE VEHICLE AND RESTARTED TWO MORE TIMES. ON THE SECOND TRY THE VEHICLE DID GO INTO DRIVE. I MADE IT TO THE DEALERSHIP AND THEY TOOK IT FOR A TEST DRIVE AND UPON THEIR RETURN GAVE ME A LOANER VEHICLE. THEY HAD TO REBUILD THE TRANSMISSION ON MY BRAND NEW TRUCK WHICH TOOK ABOUT THREE DAYS.
THANKFULLY THIS EVENT TOOK PLACE ON A BACK ROAD WITH LITTLE TRAFFIC. IF IT HAD HAPPENED ON A BUSY ROAD AN ACCIDENT MIGHT HAVE OCCURRED. *TR

251. Another incident involving a 2015 GMC Sierra was reported on August 7, 2015:

THE CONTACT OWNS A 2015 GMC SIERRA. THE CONTACT STATED THAT WHILE DRIVING AT VARIOUS SPEEDS, THE TRANSMISSION VIBRATED CAUSING A HESITATION WHEN THE GEARS SHIFTED. THE CONTACT MENTIONED THAT THE FAILURE WAS MOST SEVERE WHILE DRIVING AT SPEEDS BETWEEN 40-50 MPH. THE VEHICLE WAS TAKEN TO A DEALER WHO CHANGED THE GEAR RATIO AND ADJUSTED THE REAR END. THE VEHICLE WAS REPAIRED, BUT THE FAILURE RECURRED. THE MANUFACTURER WAS NOTIFIED OF THE FAILURE. THE FAILURE MILEAGE WAS 250.

252. Another incident involving a 2015 GMC Sierra was reported on September 21, 2015:

VEHICLE RANDOMLY AND REPEATEDLY
SHIFTS INTO NEUTRAL FROM DRIVE, WITOUT
ANY INPUT FROM DRIVER, DURING NORMAL
DRIVING CONDITIONS. VEHICLE RANDOMLY
AND REPEATEDLY LOSES ACCELERATOR
PEDAL CONTROL AND FUNCTIONALITY DURING
NORMAL DRIVING CONDITIONS.

253. Another incident involving a 2015 GMC Sierra was reported on November 3, 2015:

THE TRANSMISSION SEEMS TO SLIP OR HESITATE AT TAKEOFF. THE RUNNING LIGHTS ARE TOO DIM TO SEE DOWN THE ROAD.

254. Another incident involving a 2015 GMC Sierra was reported on November 5, 2015:

HEADLIGHTS ARE VERY POOR (WHEN WET ROAD OR IN TOWN) CANNOT TELL THEY BURNING...I HAVE

20/20 VISION.....ON SLOW DOWN DOES NOT DOWN SHIFT....CANNOT ACCELERATE....THE STARTER

HANGS UP ON START AS IF DOES NOT FIRE OR NO FUEL PUMP

255. Another incident involving a 2015 GMC Sierra was reported on May 27, 2016:

TL* THE CONTACT OWNS A 2015 GMC SIERRA 1500. WHILE DRIVING 60 MPH, THE VEHICLE BEGAN TO DECELERATE AND THE ENGINE WARNING LIGHT ILLUMINATED. THE VEHICLE WAS TOWED TO A DEALER WHERE IT WAS DIAGNOSED THAT A GEAR CYLINDER FRACTURED. THE VEHICLE WAS REPAIRED, BUT WAS UNABLE TO BE DRIVEN. THE MANUFACTURER WAS NOT NOTIFIED OF THE FAILURE. THE FAILURE MILEAGE WAS APPROXIMATELY 4,000.

256. Another incident involving a 2015 GMC Sierra was reported on July 22, 2016:

2015 GMC SIERRA HAS A DELAY
THROTTLE RESPONSE. DOES IT AT ALL SPEEDS
AND FROM TAKE OFF. TOOK TO DEALER AND
SERVICE ADVISOR PULLED TRUCK IN SHOP.
GOT OUT AND SAID IT DOES HAVE A DELAY.
THE RAN VIN NUMBER THROUGH GMC DATA
BASE AND TOLD ME. MANUFACTURE SAID IT
WAS A NORMAL THING. IT'S NOT NORMAL AND
NEVER HAD A VEHICLE WITH A THROTTLE
DELAY.

257. Another incident involving a 2015 GMC Sierra was reported on July 25, 2016:

DELAYED ENGAGEMENT IN DRIVE, TRANSMISSION CLUNKS, RPM FLARES AND TRUCK QUITS MOVING UNEXPECTEDLY. SHUDDER AT 3- 50 MPH, VIBRATES STEERING WHEEL AND LEAVES AN UNEASY FEELING THE TRUCK IS GOING TO QUIT MOVING.

258. Another incident involving a 2015 GMC Sierra was reported on September 10, 2016:

FIRST OF ALL THE HEADLIGHTS ARE VERY DIM AND AT NIGHT CANNOT SEE NOTHING.DEALER SAID IT IS WHAT IS .VERY BAD !! ALSO MY SIERRA ON WINDOW STICKER STATES COMES WITH ALL TERRAIN TIRES IT DOES NOT HAVE ALL TERRAIN TIRES . THEY ARE 265/65/R18 GOODYEAR WRANGLER SRA .I WORKED FOR GOODYEAR AND THOSE TIRES ARE ALL SEASON !!! NOT ALL TERRAIN AS SPECIFIED ON WINDOW STICKER !! I TALKED TO DEALER AND CALLED CUSTOMER SERVICE AT GM THEY NEVER CALL BACK AND THEY SAID THOSE ARE THE RIGHT TIRES.THEY ARE NOT ACCORDING TO MY ATTORNEY WHO STATES THE WINDOW STICKER IS TOTALLY INCORRECT

AND IS FRAUDULENT CHECK YOUR TIRES AND WINDOW STICKERS AND COMPARE AND LOOK ON GOODYEARS WEBSITE YOU WILL SEE.ALSO MY TRANSMISSION CLUNKS AND KNOCKS AND SHIFTS INCORRECTLY DEALER STATES ITS NORMAL I SPEND 40K ON A NEW TRUCK AND ALL I HAVE ARE PROBLEMS AND GM DOES NOTHING. IT DOWNSHIFTS HORRIBLE WHAT CAN I DO???

259. Another incident involving a 2015 GMC Sierra was reported on December 2, 2016:

TL* THE CONTACT OWNS A 2015 GMC SIERRA 1500. WHILE DRIVING VARIOUS SPEEDS, THE TRANSMISSION VIBRATED AND CAUSED A HESITATION WHEN THE GEARS SHIFTED WITHOUT WARNING. THE VEHICLE WAS TAKEN TO THE DEALER AND REPAIRED; HOWEVER, THE FAILURE RECURRED SEVERAL TIMES. THE MANUFACTURER WAS MADE AWARE OF THE FAILURE. THE FAILURE MILEAGE WAS 50.

260. Another incident involving a 2015 GMC Sierra was reported on December 8, 2016:

EXTREME LAG/DELAY- HARSH ENGAGEMENT WHEN SHIFTING FROM PARK TO REVERSE. ITS LIKE YOU ARE BACKING INTO SOMETHING? WHEN CRUISING 28-32 MPH AND RELEASING ACCELERATOR(AS IF YOU WERE COASTING INTO A TURN) WHEN SLOWING THE VEHICLE SEEMS TO SHIFT UP AND LUNGE ENTERING THE TURN.

CLUNKS AND SHIFTS HARD WHEN CRUISING NORMALLY WHEN YOU HAVE TO RELEASE THE GAS PEDAL AND SLIGHTLY REACCELERATE, CAUSING THE DRIVER TO HESITATE.

VEHICLE SHUTTERS AND HARD ACCEL 10X WORSE WHEN TOWING A 7000 # TRAILER (TRUCK IS RATED OVER 12,000 LBS. TOWING).

l. 2016 GMC Sierra

261. On the NHTSA website, there are at least 108 consumer complaints for "2016 GMC Sierra." As one example, the following incident was reported on March 21, 2016:

WHILE DRIVING MY TRUCK, IT HAS HAD 3 ALERTS ON DASH FOR "SERVICE STABILITRAK, POWER STEERING USE CAUTION AND TRAILER BRAKE." VEHICLE GAUGES ALL DROP TO ZERO WHILE OPERATING VEHICLE AND GO ON AND OFF. THE VEHICLE WHEN THIS OCCURS ALSO DISENGAGES FROM GEAR, VEHICLE IS AN AUTOMATIC. THEN ENGINE REVS UP WHEN IT SLIPS OUT OF GEAR AND GENERALLY GOES BACK IN GEAR AS GAUGES COME BACK ON. THE POWER STEERING SEEMS TO ALSO LOSE SOME POWER. WHEN THIS OCCURS, IF YOU DEPRESS THE GAS PEDAL. YOU DO NOT GET ANY MORE POWER. THIS IS TECHNICALLY THE 6TH OCCURRENCE. IT HAS BEEN BACK TO DEALER (GRIFFIN GMC OF MONROE, NC) AND COMPUTER CODES WERE CLEARED AND NOTHING REPORTED IE...TECHNICALLY FOUND THAT WOULD CAUSE THIS ISSUE PER THE DEALERSHIP AS UNABLE TO RE-PRODUCE THE CAUSE. I RETURNED THE TRUCK TODAY AFTER THIS 6TH OCCURRENCE DUE TO MY FEAR OF DRIVING THE VEHICLE WITH MY CHILDREN AND GETTING INVOLVED IN AN ACCIDENT. I HAVE VIDEO OF THIS LAST OCCURRENCE OF DASHBOARD GAUGES AND SHARED THEM WITH THE DEALERSHIP. FIRST OCCURRENCE
PICTURES ARE FEB 29, 2016 AND SUNDAY,
MARCH 20, 2016. VEHICLE HAS APPROXIMATELY
2000 MILES ON ODOMETER. ENTIRE TIME,
VEHICLE HAS BEEN RUNNING ON LOCAL ROAD,
EITHER AT STOP OR DRIVING BELOW 45MPH
MOVING STRAIGHT AHEAD. I COULD NOT
REPLICATE OR CAUSE THE ISSUE TO HAPPEN
AGAIN ON PURPOSE, VERY RANDOM.

262. Another incident involving a 2016 GMC Sierra was reported on September 8, 2016:

TL* THE CONTACT OWNS A 2016 GMC SIERRA 1500. WHEN THE SHIFTER WAS ENGAGED, THE VEHICLE DID NOT REGISTER THE CORRECT GEAR AND FAILED TO MOVE. WHEN THE VEHICLE DID RECOGNIZE THE CORRECT GEAR, IT ACCELERATED UNINTENTIONALLY. THE VEHICLE WAS TAKEN TO THE DEALER WHERE IT WAS DIAGNOSED THAT THE TRANSMISSION WAS DEFECTIVE AND PARTS IN THE TRANSMISSION NEEDED TO BE REPLACED. THE VEHICLE WAS REPAIRED: HOWEVER, THE FAILURE RECURRED. THE VEHICLE WAS RETURNED TO THE DEALER WHERE IT WAS DIAGNOSED THAT THE TRANSMISSION NEEDED TO BE REPLACED. THE VEHICLE WAS NOT REPAIRED. THE MANUFACTURER WAS NOTIFIED OF THE FAILURE. THE FAILURE MILEAGE WAS APPROXIMATELY 150. UPDATED 10/18/16*LJ

263. Another incident involving a 2016 GMC Sierra was reported on May 3, 2017:

GM 8 SPEED TRANSMISSION IS FULL OF PROBLEM. IT CONSTANTLY HESITATES, HANG GEARS, BUCKS, AND POSES VARIOUS SAFETY CONCERNS. FOR INSTANCE IF MERGING ONTO THE HIGHWAY THE TRANSMISSION WILL HESITATE AND THE TRUCK WILL BE UNRESPONSIVE TO GAS PEDAL INPUT FOR A PERIOD OF TIME SOMETIMES UP TO 12 SECS. THIS HESITATION CAUSES A SAFETY CONCERN WHEN ATTEMPTING TO MERGE INTO TRAFFIC. GM ACKNOWLEDGES THESE CONCERNS BUT STATES THAT IT IS OPERATING AS DESIGNED BUT ARE WORKING ON SOFTWARE UPDATES TO IMPROVE TRANSMISSION PERFORMANCE. THIS HAS BEEN A CONSTANT ISSUE SINCE I PURCHASED THE TRUCK.

264. Another incident involving a 2016 GMC Sierra was reported on May 4, 2017:

8 SPEED TRANSMISSION BUCKS, HESITATES, LURCHES FORWARD, CLUNKS, WHILE IN DRIVE. THE CONTINENTAL TIRES ARE CUPPING, WHICH GM SAYS IS CHARACTERISTIC OF THE BRAND. THE TRUCK VIBRATES WHILE AT 25MPH, AROUND 50MPHM AND 65-75MPH. WHILE IN AWD/4WD AT 30 AND 50MPH, THE DRIVELINE MAKES A WHINING NOISE AND VIBRATES SOMETIMES.

265. Another incident involving a 2016 GMC Sierra was reported on September 15, 2017:

THIS ISSUE STARTED A FEW MONTHS
AFTER I PURCHASED THE TRUCK TOOK IT TO
TWO DEALERS THEY SAY ITS NORMAL. CALLED
GMC & THEY HAVE NO RECALL. WHEN DRIVING
THE TRUCK & HAVE TO SLOW DOWN IN
TRAFFIC THE AUTOMATIC TRANSMISSION
DOWN SHIFTS & HAS A VERY NOTICABLE JERK.
WILL ACTUALLY JERK THE HOLE TRUCK.
PEOPLE WHO HAVE RODE WITH ME TELL ME I

HAVE A TRANSMISSION PROBLEM. WHAT CAN I DO

266. Another incident involving a 2016 GMC Sierra was reported on March 20, 2018:

PLEASE MAKE GM RESOLVE THE ISSUES WITH THE 8 SPEED TRANSMISSIONS IN THE TRUCKS. 2016 SL T Z71. I PURCHASED THE TRUCK NEW. IT'S NEVER SHIFTED PROPERLY. HESITATIONS, CLUNKING, JERKING, SHUTTER, HARD DOWN SHIFTS EVERYTIME I TAKE IT IN. THEY SAY IT'S DUE FOR AN UPDATE. THE TRUCK HAS HAD 4 UPDATES AND NONE OF THEM HAVE FIXED A THING. I HAD IT IN BEFORE THE 36,000 MILE BUMPER TO BUMPER WARRANTY WAS UP AND WAS TOLD IT WAS UP TO DATE. THEN LAST WEEK, I TOOK IT IN AND WAS TOLD IT WAS "SEVERAL UPDATES BEHIND." (54,XXX) MILES. TO TOP IT OFF, GENERAL MOTORS WOULDN'T PAY FOR THE \$400 UPDATE, WHICH DIDN'T FIX ANYTHING AT ALL!!! THE TRUCK JERKED BEFORE WE GOT A BLOCK FROM THE DEALERSHIP. GM SAYS THAT EVEN THOUGH THE TRUCK IS STILL UNDER A FACTORY 60,000 MILE POWERTRAIN WARRANTY, TRANSMISSION UPDATES ARENT COVERED. THE 120,000 EXTENDED WARRANTY WOULDN'T COVER IT BECAUSE THEY SAY IT SHOULD BE COVERED UNDER THE FACTORY POWERTRAIN WARRANTY! I ABSOLUTELY LOVE THE TRUCK OTHER THAN THE JUNK TRANSMISSION IN IT. I DON'T THINK IT'S SAFE OR MUCH FUN HAVING A VEHICLE THAT STARTS TO GO THEN FALLS FLAT ON ITS FACE FOR A FEW SECONDS BEFORE SLAMMING INTO THE NEXT GEAR. THIS IS A MAJOR PROBLEM WITH A HUGE NUMBER OF TRUCKS. DON'T BELIEVE ME? GOOGLE "2016 SIERRA

TRANSMISSION ISSUE" OR ANYTHING OF THE SORT. YOU'LL SEE. I'M REALLY NOT ASKING FOR MUCH. I DIDN'T WANT TO PUT MY FAMILY IN A POTENTIALLY UNSAFE VEHICLE YET HERE WE ARE. LIKE I SAID, I'M NOT ASKING FOR MUCH. ALL I WANT IS FOR MY TRUCK TO SHIFT NORMAL. TO GO WHEN IT NEEDS OR HAS TO. MY TRUCK HAS HAD 4 UPDATES AND WAS SEVERAL UPDATES BEHIND LAST TIME, THAT'S ROUGHLY AN UPDATE EVERY 10,000 MILES AND NOW THEY'RE NOT COVERED? ON TWO SEPARATE OCCASIONS, IT'S SHIFTED SO HARD THAT IT JARRED MY NECK AND MADE IT SORE FOR A FEW DAYS IVE EVEN PULLED OVER ON THE SIDE OF THE ROAD THINKING WE WERE REAR-ENDED. SO HAS MY WIFE. NOT SAFE-NOT **NECESSARY!**

267. Another incident involving a 2016 GMC Sierra was reported on July 30, 2018:

TRUCK SHIFTS REALLY HARD AND IS
UNPREDICTABLE. I ALMOST DROVE THROUGH MY
GARAGE DOOR THE OTHER DAY SHIFTING TO DRIVE FROM
REVERSE. TRUCK WILL LUNGE FORWARD OR DELAY IN
SHIFTING. THERE HAVE BEEN A FEW TIMES IVE HAD TO
SLAM ON THE BRAKES BEFORE I BACKED INTO
SOMETHING. I HAVE BROUGHT IT IN 3-4 TIMES FOR THE
ISSUE AND GMC WONT REMEDY THE PROBLEM.

268. Another incident involving a 2016 GMC Sierra was reported on August 8, 2018:

8 SPEED TRANSMISSION BUCKS, HESITATES, LURCHES FORWARD, CLUNKS, WHILE STARTUNG ACCELERATION OR COMING TO A STOP. I TRY TO KEEP A BIG GAP BETWEEN MY TRUCK AND CARS IN FRONT OF ME AT STOP SIGNS BECAUSE IT RANDOMLY LURCHES FORWARD AND I ALMOST HAVE BUMPED CARS IN FRONT OF ME. I HAVE HAD THE TRUCK INTO THE DEALER SO MANU TIMES TO FIX THE VIBRATION ISSUES AS WELL, THEY SAID 3 TIRES THAT CAME IN THE BRAND NEW TRUCK WERE DEFECTIVE SO I HAD TO REPLACE THEM ALL AND THE SHAKE IS STILL THERE, THE BALANCED, REBALANCED, ROAD FORCE BALANCE AND NOTHING WORKS. LAST TIME AT THE DEALER SAID IT IS PROBABLY THE TIRES, HE SAID DON'T ROTATE THEM AGAIN AND WHEN THEY WEAR OUT HE WILL PUT ME IN A BETTER TIRE. I AM PAST MY WARRANTY SO THE DEALER SAYS ANY COSTS ARE MY RESPONSIBILITT, IF THE NHTSA COULD PLEASE STEP IN TO ASSIST US TO MAKE GM FIC THEAE VEHICLES WHICH ARE A SAFETY HAZARD.

269. Another incident involving a 2016 GMC Sierra was reported on September 21, 2018:

TRANSMISSION - WHEN DRIVING THE VEHICLE IT DOES A HARD SHIFT WHEN ACCELERATING AND DECELERATING. I HAVE TAKEN THE VEHICLE INTO THE DEALER TWICE. THEY ARE SAYING THAT IS A "STATE OF THE ART" COMPUTER THAT NEEDS TO BE RESET!!! I AM TAKING IT BACK IN FOR A 3RD TIME. THE CARE IS 2 YEARS OLD WITH 31 K MILES.

270. Another incident involving a 2016 GMC Sierra was reported on October 27, 2018:

TRANSMISSION SHIFTS ABRUPTLY AND TORQUE CONVERTER CAUSES SHUDDER AT HIGHWAY SPEEDS. TRUCK HAS BEEN SERVICED TWICE FOR THE SAME ISSUE BY DEALER AND DEALER RECENTLY TOLD ME PROBLEM IS UNRESOLVABLE.

271. Another incident involving a 2016 GMC Sierra was reported on November 6, 2018:

THE CONTACT OWNS A 2016 GMC SIERRA 1500. WHILE DRIVING 65 MPH IN STOP AND GO TRAFFIC, THE CONTACT DETECTED A SHUTTER AND HEARD AN ABNORMAL NOISE WHEN SHIFTING GEARS. THE VEHICLE WAS TAKEN TO MARTY'S BUICK GMC ... WHERE THE TRANSMISSION WAS REPROGRAMMED AND FLUSHED. THE VEHICLE WAS THEN TAKEN TO BEST CHEVROLET . . . WHERE THE CONTACT WAS INFORMED THAT THE CAUSE OF THE FAILURE COULD NOT BE DETERMINED. THE VEHICLE WAS NOT REPAIRED. THE MANUFACTURER WAS MADE AWARE OF THE FAILURE. THE FAILURE MILEAGE WAS 96,794.

m. 2017 GMC Sierra

272. On the NHTSA website, there are at least 58 consumer complaints for "2017 GMC Sierra." As one example, on April 15, 2017, the following incident was reported:

HEAVY VIBRATION BETWEEN 1200 RPM AND 1500 RPM ANYWHERE BELOW 45 MPH AND ABOVE 70 MPH

273. Another incident involving a 2017 GMC Sierra was reported on July 20, 2017:

THE CONTACT OWNS A 2017 GMC SIERRA 1500. WHILE DRIVING 30 MPH, THE TRANSMISSION FAILED AFTER A COMPLETE STOP. WHEN THE ACCELERATOR PEDAL WAS DEPRESSED, THE RPMS INCREASED. WHEN SHIFTING FROM SECOND TO FIRST GEAR, THE TRANSMISSION SHIFTED INTO FIRST GEAR WITH EXTREME FORCE AND CAUSED THE VEHICLE TO ABRUPTLY ACCELERATE. THE CONTACT HAD TO ENGAGE THE BRAKE PEDAL WITH FORCE TO AVOID A CRASH. THE FAILURE

WAS EXPERIENCED NUMEROUS TIMES. THE VEHICLE WAS TAKEN TO WALSH CHEVY BUICK GMC (2330 NORTH BLOOMINGTON STREET, STREATOR, IL, 61364 815-673-4333) WHERE THE TRANSMISSION SYSTEM WAS REPROGRAMMED TWICE AND THE ELECTRONIC CONTROL MODULE WAS REPLACED. HOWEVER, THE FAILURE WAS NOT CORRECTED. THE MANUFACTURER WAS NOTIFIED. THE FAILURE MILEAGE WAS 112. UPDATED 08/30/17*LJ

274. Another incident involving a 2017 GMC Sierra was reported on July 27, 2017:

THE CONTACT OWNS A 2017 GMC SIERRA. WHILE DRIVING APPROXIMATELY 5 MPH, THE VEHICLE FAILED TO SHIFT OUT OF GEAR AND THERE WAS A DELAY OF THREE TO FOUR SECONDS BEFORE SHIFTING INTO SECOND GEAR. THE FAILURE RECURRED EVERY MORNING. THE VEHICLE WAS TAKEN TO THE DEALER (JIM CAUSLEY, LOCATED AT 38111 GRATIOT AVE, CLINTON TOWNSHIP, MI 48036) WHERE IT WAS CONFIRMED THAT GM WAS AWARE OF THE ISSUE. THE VEHICLE WAS NOT DIAGNOSED OR REPAIRED. THE MANUFACTURER WAS NOTIFIED OF THE FAILURE AND INFORMED THE CONTACT THAT THERE WAS NO RECALL ON HIS VIN. NO FURTHER ASSISTANCE WAS OFFERED. THE APPROXIMATE FAILURE MILEAGE WAS 4,500. UPDATED 11/13/17 *BF

275. Another incident involving a 2017 GMC Sierra was reported on October 17, 2017:

UNINTENDED ACCELERATION – WHEN SLOWING DOWN TO COME TO A STOP THE VEHICLE WILL OCCASIONALLY ENGAGE A

LOWER GEAR VERY SUDDENLY AND LURCH FORWARD. THE RESULTING FORCE IS ENOUGH TO OVERPOWER THE BRAKING EFFORT BEING PROVIDED BY THE DRIVER AND THE VEHICLE WILL MOVE FORWARD SEVERAL FEET BEFORE THE DRIVER CAN REACT AND APPLY MORE BRAKING FORCE TO STOP THE VEHICLE. THE ISSUE OCCURS RANDOMLY AND INFREQUENTLY AT VERY SLOW SPEEDS (5-10MPH). THERE HAVE BEEN SEVERAL OCCASIONS WHERE I'VE BEEN BRAKING TO STOP AT A STOP LIGHT AND BEEN FORCED INTO THE MIDDLE OF AN INTERSECTION. I'M CONCERNED THE ISSUE COULD CAUSE THE VEHICLE TO STRIKE THE CAR IN FRONT OF IT OR A PEDESTRIAN CROSSING IN FRONT OF THE VEHICLE AS IT STOPS FOR A CROSSWALK. MULTIPLE UNSUCCESSFUL REPAIR ATTEMPTS HAVE BEEN MADE BY THE DEALER. I ATTEMPTED TO FORCE THE MANUFACTURER TO BUY THE VEHICLE BACK FROM ME THROUGH THE MASSACHUSETTS LEMON LAW AND SINCE THAT TIME THEY HAVE DENIED THE EXISTENCE OF A PROBLEM. I HAVE SEEN SEVERAL INSTANCES ONLINE WHERE CONSUMERS WITH THE IDENTICAL VEHICLE (ALL WITH THE 8 SPEED TRANSMISSION) COMPLAINED OF THE SAME PROBLEM.

276. Another incident involving a 2017 GMC Sierra was reported on October 25, 2017:

VIBRATION 65+ MPH, FELT IN STEERING WHEEL AND SEAT.

STEERING TRANSMISSIONS QUIVERS AT 65+ MPH.

TRUCK FEELS VERY UNSTABLE AT HIGHWAY SPEEDS.

DEALER STATES IT'S NORMAL.

277. Another incident involving a 2017 GMC Sierra was reported on February 23, 2018:

TRANSMISSION HARSH 1-2 SHIFT WHEN IT IS UNDER LIGHT THROTTLE AND SOMETIME DOES NOT SHIFT OR MAKE NOSE. GMC DEALER ARE AWARE ABOUT THIS ISSUES ON ALL GM TRUCK MODEL OF 2015 TO 2017 WITH 8SPED TRANSMISSION SINCE APRIL 2017. I HAVE ATTACHED DOCUMENTS GIVEN BY DEALER.

278. Another incident involving a 2017 GMC Sierra was reported on June 1, 2018:

WHEN DRIVING AT SLOW PARKING LOT SPEEDS OR WHEN COMING TO A COMPLETE STOP THE VEHICLE INTERMITTENTLY LUNGES, SURGES OR JOLTS, CAUSING THE VEHICLE TO MOVE FORWARD OR BACKWARDS UNANTICIPATED. SOMETIMES THE JOLT FEELS LIKE ANOTHER VEHICLE HAS HIT THIS VEHICLE FROM THE REAR, AGAIN CAUSING IT TO LUNGE FORWARD.

279. Another incident involving a 2017 GMC Sierra was reported on June 15, 2018:

I BOUGHT THIS TRUCK USED WITH 12,918 MILES ON IT, APRIL 2018. WHEN DRIVING(ESPECIALLY ON HIGHWAY), AND CHANGING SPEEDS, TRANSMISSION CLUNKS AND LURCHES-AUTOMATIC TRANSMISSION. IT SOUNDS AND FEELS AS IF DRIVE TRAIN WILL FALL OUT. I HAVE TAKEN IT TO DEALER TWICE. THE FIRST TIME, THEY KEPT IT FOR 3 DAYS, THE SECOND TIME, FOR ONE. THE MECHANIC IS

ABLE TO REPLICATE THE NOISE/LURCHING, BUT THEY ARE UNABLE TO FIND A CAUSE OR CORRECTION. THEY TELL ME IT IS NOT DANGEROUS, BUT I AM CONCERNED THAT THE NOISE/MOVEMENT, COULD CAUSE MYSELF OR ANOTHER FAMILY MEMBER TO SWERVE OR BRAKE HARD AND CAUSE AN ACCIDENT. THE MECHANIC HAS TRIED "UPDATING THE SOFTWARE" BUT THAT DID NOT FIX IT. SEVERAL OTHER GMC SIERRA OWNERS TELL ME THEY HAVE HAD SAME PROBLEM.

280. Another incident involving a 2017 GMC Sierra was reported on August 28, 2018:

THE "CHEVY SAKE". AT SPEEDS OVER 70MPH EXCESSIVE VIBRATION INSIDE THE VEHICLE. THIS IS WELL DOCUMENTED ON-LINE, PARTICULARLY VARIOUS GM FORUMS AND YOU TUBE VIDEOS. IT IS MY UNDERSTANDING THAT GM DENIES IT IS A PROBLEM, BUT THEY HAVE BEEN DOING SOME BUY BACKS AND IF YOU READ SOME OF THE DEALER BLOGS IT IS EVIDENT THAT GM KNOWS IT IS A PROBLEM.

281. Another incident involving a 2017 GMC Sierra was reported on December 6, 2018:

THE TRANSMISSION SHIFTS EXTREMELY ROUGH FROM 1ST TO 2ND GEAR IN PARKING LOTS AT A SLOW SPEED AND ON NORMAL HIGHWAY OR STREET DRIVING AND EXPERIENCES THE SAME THING WHILE SLOWING DOWN TO STOP 2. THE ENGINE HAS RECENTLY BEEN HAVING A AWKWARD SHAKE TO IT WHILE IN IDEAL AFTER IT HAS BEEN RUNNING AND WARM 3. WHILE BACKING UP AND TURNING THE WHEEL, THE FRONT SUSPENSION WILL LET OUT A LOUD CLUNK SOUND AND THE SOUND WILL RETURN

WHEN TURNING THE TRANSMISSIONS BACK FORWARD AFTER PUTTING IT INTO DRIVE.

282. Another incident involving a 2017 GMC Sierra was reported on December 18, 2018:

I HAVE HAD SEVERAL INSTANCES WHERE YOU PUSH THE ACCELERATOR AND YOU START TO GO AND THEN IT JUST STOPS MOVING LIKE THE TRANSMISSION HAS DISENGAGED.
STARTED TO TURN INTO ONCOMING TRAFFIC THIS MORNING AND HAD TO STOP AS AS IT DID THIS AND I WAS GOING TO GET HIT!!! IT DOES IT A LOT, FIRST TIME I WOULD HAVE BEEN HIT!!! GM SAYS THEY KNOW IT'S A PROBLEM, AT SHOP NOW AGAIN FOR IT! GOING TO GET SOMEONE KILLED!!!!

283. Another incident involving a 2017 GMC Sierra was reported on January 10, 2019:

TRANSMISSION HAS SURGING AND HESITATION. DEALER CANNOT FIX.

284. Another incident involving a 2017 GMC Sierra was reported on February 4, 2019:

TRUCK LAGS POWER WHEN PRESSING THE GAS PEDAL AT TIMES AFTER PUTTING TRANSMISSION INTO DRIVE FROM REVERSE. TRANSMISSION SHIFTS HARD INTO AND OUT OF FIRST GEAR AND AT TIMES FEELS LIKE IT IS SKIPPING 2ND GEAR DURING A DOWNSHIFT.

285. Another incident involving a 2017 GMC Sierra was reported on March 12, 2019:

TRANSMISSION SHIFT FROM 1ST GEAR.
THERE IS A PROBLEM IN THE GEAR SHIFT FROM
1ST TO 2ND IT SLAMS THE TRANSMISSION
WHEN YOU STOP AND START. THERE IS A
HEATER IN THE TRANSMISSION THAT PUTS
EXTRA DEGRADATION ON THE OIL CAUSING IT
TO NEED REPLACEMENT VERY EARLY. DEALER
KNOWS OF THE ISSUE BUT HAS NO FIX FOR IT
ONLY STATED THEY NOTED THE FILE IN CASE
IT FAILS. UNACCEPATABLE FOR A 55,000.
PLEASE LOOK INTO THIS.

n. 2015 GMC Yukon Denali

286. On the NHTSA website, there are at least 292 consumer complaints for "2015 GMC Yukon Denali." As one example, on June 14, 2015, the following incident was reported:

VERY CONCERNED ABOUT MY 2015
YUKON XLT. THE VEHICLE'S GEAR SHIFTED TO
A NEUTRAL OF VERY LOW GEAR (NOT VERY
SURE) AS I WAS DRIVING DOWN A LONG HILL
NEAR BIRMINGHAM, AL. IT FELT LIKE IT WENT
TO FIRST GEAR, BUT AT THE SAME TIME IT DID
NOT SLOW THE VEHICLE DOWN, ALMOST FELT
LIKE THE GEAR WAS GRINDING. THE TRUCK
DID NOT CATCH BACK INTO NORMAL GEAR
UNTIL THE VEHICLE LEVELED BACK AT THE
BOTTOM OF THE HILL. (IT WAS EXTREMELY
SCARY AND WORRISOME EVER SINCE THEN,
THE TRANSMISSION WILL NOT SHIFT
SMOOTHLY.

287. Another incident involving a 2015 GMC Yukon Denali was reported on June 29, 2016:

I AM WRITING TO NOTIFY YOU ABOUT A PROBLEM WITH THE TRANSMISSION IN 2015 GMC YUKON XL.

GM IS AWARE OF A PROBLEM. THEY ISSUED AN INTERNAL NOTICE TO DEALERS IN FEBRUARY 2016. HOWEVER, THEY HAVE NOT NOTIFIED TO OWNERS IN THE FORM OF A RECALL.

ON SEVERAL OCCASIONS, MY VEHICLE JUMPED FORWARD, WHILE DRIVING IN THE CITY, WHEN IT WAS STOPPED, IN DRIVE, WITH BRAKE ENGAGED. I REPORTED TRANSMISSION PROBLEMS TO MY LOCAL DEALER BUT THEY REPEATEDLY IGNORED MY CONCERNS. THEY KEPT GIVING EXCUSES THAT DIDN'T MAKE SENSE. I FINALLY PRESSED ON, REFUSED TO TAKE MY VEHICLE BACK AND REPORTED THE PROBLEM TO SEVERAL EXECUTIVES. THE PROBLEM WAS FINALLY DIAGNOSED UNDER DIFFERENT CONDITIONS AS STATED IN THE FIRST INTERNAL DOCUMENT IN MARCH 2016. THERE WAS A PROBLEM WITH THE TRANSMISSION. THEY FINALLY REPLACED THE TRANSMISSION FOR "ONE THAT DIDN'T HAVE A PROBLEM".

GM ADMITTED THERE ARE PROBLEMS WITH TRANSMISSIONS AND THE PROBLEM HAS BEEN CORRECTED IN NEWER VEHICLES. THEY HAVE YET TO ISSUE A NOTICE TO CURRENT OWNERS THAT THEIR VEHICLES ARE AT RISK.

I OWNED A 2015 GMC YUKON XL BUT CHOSE TO SELL IT OVER SAFETY CONCERNS AND LACK OF APPROPRIATE RESPONSE FROM GM CORPORATE. WITH 2 YOUNG CHILDREN, I SPEND A LOT OF TIME AROUND SCHOOLS (LIKE MOST OWNERS OF LARGE GM VEHICLES). I COULD HAVE INJURED OR KILLED SOMEONE. I FEEL IT IS MY OBLIGATION TO BRING THIS SITUATION TO YOUR ATTENTION. IF YOU INTERVENE, YOU CAN HELP TO AVOID ANY INJURIES IN THE FUTURE. IT IS CLEAR THAT GM

WILL NOT VOLUNTARILY PROTECT THE PUBLIC.

288. Another incident involving a 2015 GMC Yukon Denali was reported on July 19, 2016:

OUR VEHICLE HAS A SIGNIFICANT VIBRATION IN V4 MODE WHEN TRAVELING BETWEEN 45-65 MPH AND ABOVE. THE VIBRATION IS ALSO ACCOMPANIED BY INCREASED CABIN PRESSURE. THESE ISSUES ARE CAUSING HEADACHES, NAUSEA, DIZZINESS. AND ARE FURTHER EXACERBATING MY WIFE'S MULTIPLE SCLEROSIS. WE ALSO HAVE A POPPING SOUND COMING FROM THE REAR OF THE VEHICLE'S SUSPENSION WHEN TURNING THAT MAKES US FEEL UNSAFE. THE VIBRATION STARTED RIGHT AFTER WE TOOK DELIVERY OF THE CAR AND HAS ONLY GOTTEN WORSE. WE BOUGHT THE CAR IN APRIL 2015 AND THE ISSUE CONTINUES UNFIXED TO THIS DAY. THE POPPING NOISE STARTED ABOUT 3-4 WEEKS AGO AND IT SOUNDS LIKE A SUSPENSION COMPONENT. OUR AC RECIRCULATING FEATURE ALSO DOES NOT WORK AND IT ALLOWS HARMFUL EXHAUST SMOKE IN.

289. Another incident involving a 2015 GMC Yukon Denali was reported on August 1, 2016:

WHEN APPROACHING A TOLL BOOTH ON THE MASS TURNPIKE, WITH SEVERAL LANES MERGING,

WITH THE VEHICLE ALMOST STOPPED,IT DOWNSHIFTED TO 1ST GEAR AND IN THE PROCESS

LURCHED FORWARD EXTREMELY VIOLENTLY TO THE POINT I ALMOST CRASHED INTO THE CAR

MERGING IN FRONT OF ME-PROBABLY STOPPED SHORT BY SIX INCHES OR LESS !!!

290. Another incident involving a 2015 GMC Yukon Denali was reported on August 30, 2016:

TRANSMISSION HAS BEEN CLUNKY AND JERKY FROM FROM PURCHASE. THE VEHICLE VIBRATES BETWEEN 30 - 35 MILES PER HOUR WHEN SHIFTING. THE VEHICLE LURCHES FORWARD WHEN ACCELERATING AS IF IT HAS DIFFICULTY DOWN-SHIFTING. THE PROBLEM IS PRESENT FROM SIMPLY BACKING UP OUT OF THE DRIVEWAY, MODEST SPEEDS ON CITY STREETS, OR ON THE HIGHWAY. WHEN BROUGHT BACK TO THE DEALER, THEY CLAIMED IT WAS A SOFTWARE ISSUE AND "REFRESHED" THE SOFTWARE. THE PROBLEM HAS NOT GONE AWAY AND DID NOT IMPROVE BY THIS SOFTWARE CORRECTION. MY INTERNET RESEARCH INDICATES THAT THIS IS A COMMON PROBLEM WITH THE NEW 8-SPEED TRANSMISSION FOR THE 2015 YUKON DENALI AND CADILLAC ESCALADE.

291. Another incident involving a 2015 GMC Yukon Denali was reported on September 18, 2018:

VEHICLE CLUNKS OR HARD SHIFT WHILE SHIFTING VEHICLE FROM PARK TO DRIVE, OR PARK TO REVERSE. HAPPENS EVERY MORNING OR WHILE TRANSMISSION HAS COOLED DOWN. DEALER INDICATES THERE'S NO FIX FOR THIS CONDITION, NOT EVEN A UPDATE TO TRANSMISSION SOFTWARE.

o. 2016 GMC Yukon Denali

292. On the NHTSA website, there are at least 73 consumer complaints for "2016 GMC Yukon Denali." As one example, on January 5, 2016, the following incident was reported:

WHEN THE VEHICLE REACHES 40-60 MILES PER HOUR A VIBRATION OCCURS... OFTEN SOUNDS LIKE A WINDOW IS DOWN AND CAN CAUSE NAUSEA AND HEADACHE...

293. Another incident involving a 2016 GMC Yukon Denali was reported on May 25, 2016:

THE VEHICLE'S TRANSMISSION
UNEXPECTEDLY SLIPS OUT OF GEAR BETWEEN
20 AND 35 MPH. WHEN THIS OCCURS, PRESSING
THE ACCELERATOR MERELY REVS THE ENGINE,
WITHOUT FORWARD MOTION. THIS OCCURRED
4 TIMES IN THE FIRST 600 MILES OF OPERATION.
WITHOUT POWER, I CAN'T NAVIGATE OUT OF A
DANGEROUS SITUATION.

294. Another incident involving a 2016 GMC Yukon Denali was reported on June 2, 2016:

VEHICLE HAS VIBRATION & NOISE WIHEN IN 4 CYLINDER MODE OF OPERATION. GIVES HEADACHE ON LONG DRIVES. GM SAYS THAT THE VEHICLE IS OPERATING AS DESIGNED. MOST AGRIVATING.

295. Another incident involving a 2016 GMC Yukon Denali was reported on July 6, 2016:

MY 2016 YUKON DENALI HAS A VIBRATION PROBLEM, WHICH I BELIEVE IS CAUSED BY THE MAGNETIC RIDE CONTROL. THE VIBRATION DOES NOT SPEED UP, NOR SLOW DOWN, DEPENDING ON SPEED. IT IS, HOWEVER, MORE NOTICEABLE WHEN THERE IS ANY ROAD IMPERFECTION.

THE GMC SERVICE DEPT. HAS BALANCED AND ROTATED TIRES, EVEN SENT IT TO TWO OTHER BUSINESSES TO TRY AND FIX -- ALIGNMENT, ETC. VIBRATION CONTINUES. I'VE HAD PASSENGERS WHO ASK "WHY DOES YOUR CAR HAVE THE SHIVERS?" GM DEALER DID GET AHOLD OF A GMC TECHNICIAN WHO FLEW IN, AND DROVE THE CAR AND SAID -- YES IT HAS A VIBRATION, BUT IT IS IN ACCEPTABLE PARAMETERS.

MY DEALER HAS PROVIDED ME 3 DIFFERENT RENTAL CARS WHILE WORKING TO TRY AND FIX THE "SHIVERS" ... ALL THREE WERE FAIRLY NEW, SMALL BUICKS, AND ALL 3 RODE BETTER THAN THIS NEW \$75,000 DENALI.

I LOVE THE VEHICLE, HATE THE VIBRATION. GMC ITSELF HAS NOW TOLD ME -- YOUR CASE IS CLOSED! THE VIBRATION IS WITHIN ACCEPTABLE LIMITS.

THE DEALER HAS LET ME DRIVE TWO OTHER YUKON DENALI'S ... BOTH HAVE SIMILAR VIBRATIONS... JUST NOT AS BAD AS THIS VEHICLE.

VIBRATION IS NOTICEABLE AT 25 MPH, AS WELL AS AT 80 MPH; ALTHOUGH IT IS MORE NOTICEABLE ON ROUGHER ROADS.

I AM HAPPY TO SHARE THE REPORTS FROM MY LOCAL GM DEALER, WHO COMPLETELY AGREES THAT THE CAR SHIMMIES. WE TRIED THE GMC BUYBACK PROGRAM, AND I WAS TOLD BY GMC THAT PROGRAM IS NOT AVAILABLE TO ME, EVEN THOUGH I TOOK THE CAR BACK TO THE DEALER WHEN I HAD LESS THAN 100 MILES ON IT. AND HAVE BEEN TAKING IT BACK REGULARLY SINCE.

296. Another incident involving a 2016 GMC Yukon Denali was reported on October 27, 2016:

SINCE THE DAY I PURCHASED THIS 2016 GMC YUKON XL DENALI THERE HAS BEEN A VIBRATION IN WHAT I THINK IS THE PASSENGER REAR END. I'VE TAKEN IT IN 3 TIMES AND EACH TIME THE DEALER AND THE GM REPRESENTATIVE SAY IT IS "WITHIN SPEC." THIS PROBLEM HAS PERSISTED. THE VEHICLE IS NOW ALMOST UN-DRIVABLE DUE TO THE SHAKING. IT AFFECTS THE STEERING WHEEL AT ALL SPEEDS. THIS HAPPENS AT ALL SPEEDS ON ALL TERRAINS. THIS HAPPENS WHEN THE VEHICLE IS COLD AS WELL AS WARM/HOT. THE VEHICLE WILL SOMETIMES JERK TO THE LEFT OR RIGHT WHEN THE SHAKING GETS REAL BAD. THIS VEHICLE IS BECOMING DANGEROUS TO DRIVE BUT I HAVE TO USE IT. I AM NOT THE ONLY ONE WITH THIS ISSUE AND WOULD APPRECIATE SOME HELP.

p. 2017 GMC Yukon Denali

297. On the NHTSA website, there are at least 7 consumer complaints for "2017 Yukon Denali." As one example, on September 22, 2018, the following incident was reported:

SHUDDER UNDER LIGHT, CONSTANT ACCELERATION AT 35MPH TO 55MPH, RPM UNDER 1,500. UPHILL GRADE IT IS ACCENTUATED. SHUDDER OCCURS FOR 1 SECOND ACROSS WHOLE VEHICLE, REOCCURS EVERY FEW SECONDS AT A CONSTANT INTERVAL. SEEMS TO BE SAME ISSUE WITH ALL 8L90 TRANSMISSIONS FROM GM/CHEVY/CADI.

q. 2017 GMC Canyon

298. On the NHTSA website, there are at least 15 consumer complaints for "2017 GMC Canyon." As one example, on February 5, 2018, the following incident was reported:

THE GMC 2017 CANYON VIBRATES AT HIGHWAY SPEED 60MPH TO 70MPH. THE 2ND DAY AFTER I BOUGHT IT TOOK IT ON LONG TRIP FOUND IT HAD VIBRATION PROBLEMS. AFTER TAKING IT TO THE DEALERSHIP FOR TIRE BALANCE TWICE REPLACED FRONT WHEEL BEARING THEN TRANSMISSION FLUSH. THEN AFTER TRANSMISSION FLUSH HAD VIBRATION BETWEEN 40-45 THEY SAID IT WAS NORMAL THAT THERE WAS NOTHING ELSE THEY COULD DO. DUE TO VIBRATIONS OVER TIME THIS CONCERNS ME. FOR BEING STRANDED OR WORSE CAUSING AN ACCIDENT FROM SOMETHING COMING LOOSE. I'VE ALREADY HAD TO TIGHTEN UP MY SPARE TIRE. I BOUGHT THIS PICKUP FOR LONG TRIPS SINCE I'VE RETIRED. LIKE THE ONE MY WIFE AND I ARE GOING ON IN JUNE OF THIS YEAR. I ALSO FEEL IF THERE GOING TO SELL CRAP LIKE THIS THEY NEED TO PUT THE VIBRATION ISSUES ON THE ACCESSORY `LIST SO BUYERS WILL HAVE THE OPTION WHETHER TO BUY OR NOT. I WOULD HAVE NOT BOUGHT A \$40,000.00 VIBRATOR!!

299. Another incident involving a 2017 GMC Canyon was reported on August 1, 2018:

TRANSMISSION BEGAN SHIFTING HARD. BEFORE LONG WHOLE TRUCK RATTLED WHEN SHIFTING. ALMOST A GRINDING SOUND. CHEVY DIAGNOSED TORQUE CONVERTER HAS GONE BAD. BACK ORDERED FOR 2 WEEKS.

300. Another incident involving a 2017 GMC Canyon was reported on December 31, 2018:

TORQUE CONVERTER FAILS AT 12000 MILES FOR MANY. THERE IS A GMC NOTICE OUT SINCE 2016. MINE FAILED AT 16000 MILES AND THE ONE THEY REPLACED WILL LIKELY FAIL AGAIN IN ANOTHER 16K MILES. THIS IS BAD. I NOTICED IT WHEN I PRESSED ON THE ACCELERATOR AND AS I INCREASED SPEED UP TO 45 MPH. IT RATTLED AND ROCKED BADLY. THE GMC REPAIRMAN SAID, "YEAP.....EVER SINCE 2016 ALL THESE DAMN TORQUE CONVERTERS HAVE BEEN FAILING IN THE CANYONS AND COLORADOS BECAUSE GM AND CHEVY CHANGED THE SIZE AND STRENGTH OF THE METAL USED IN ORDER TO REDUCE THE WEIGHT OF TRHE VEHICLE. WE WILL REPLACE IT, BUT I CAN ASSURE YOU IT WILL FAIL AGAIN AND YOU'LL HAVE TO BRING IT BACK TO USE FOR CHANGE OUT AGAIN." WOW....WHAT A BUNCH OF CRAP.

r. 2018 GMC Canyon

301. On the NHTSA website, there are at least 5 consumer complaints for "2018 GMC Canyon." As one example, on August 28, 2018, the following incident was reported:

TRANSMISSION JERKS FROM 4TH TO 5TH. SOMETIMES FEELS LIKE SOMEONE HIT YOU IN THE REAR ENDED.

302. Another incident involving a 2018 GMC Canyon was reported on September 7, 2018:

TRANSMISSION CLUNKS FEELS LIKE YOUR HIT IN THE REAR END. I THOUGHT I WAS REAR ENDED 3 TIMES SO FAR. MY TRANSMISSION SURGES FORWARD FROM 4TH TO 5TH GEAR. VERY DANGEROUS TO WEAR I DON'T WANT TO DRIVE THE TRUCK.

303. Another incident involving a 2018 GMC Canyon was reported on September 7, 2018:

THE AUTOMATIC TRANSMISSION SHIFTS AGGRESSIVELY THE FIRST GEARS FROM A COLD STARTED ENGINE AFTER ENGAGING FROM PARK TO DRIVE. SLUGGISH SHIFTING AND ACCELERATION.

304. Another incident involving a 2018 GMC Canyon was reported on December 14, 2018:

RUMBLING OF TRANSMISSION. CLUCKY START. GM DEALER ACKNOWLEDGES THE PROBLEM AND HAS TRIED TO REPAIR VEHICLE. GM SAYS AT THIS TIME THE TRUCK 8 SPEED TRANSMISSIONS ARE NOT FIXABLE

- 4. Consumer Complaints on Internet Forums Demonstrate That GM Was Aware of the Transmission Defect
- 305. Similarly, complaints posted by consumers in internet forums demonstrate that the defect is widespread and dangerous and that it can manifest without warning and/or suitable repair. The complaints also indicate GM's awareness of the problems with the transmission and how potentially dangerous the defect is for consumers. The following are some safety complaints specifically

relating to GM's eight-speed transmissions (spelling and grammar mistakes remain as found in the original) (gm-trucks.com (May 7, 2019), Edmunds.com (May 7, 2019), http://www.edmunds.com/; Cars.com (May 7, 2019), http://cars.com/; CarComplaints.com (May 7, 2019), http://www.carcomplaints.com/; http://gm-trucks.com (May 7, 2019), and http://cadillacforums.com (May 7, 2019)):

a. <u>Complaints on Edmunds.com</u>

306. On Edmunds.com, a consumer of the 2015 Cadillac Escalade wrote on September 29, 2016:

We have owned our vehicle since August 2015. We have had problems since the first day. Bad airbags, steering wheel had to be replaced 3 times, steering column replaced, torque converter replaced, front camera replaced. The MAIN issue is still not fixed after many many many trips to Service. There is a rough idle at any stop. The engine idle is so rough that the RPM's bar is moving up and down while the car is stopped. At times it feels like the car is going to shut off. Cadillac is not accepting responsibility and is saying this is NORMAL. So...if you like a rough idle in a \$100,000 Luxury vehicle go ahead and buy this SUV. Otherwise, I would suggest you go down the road and find a different luxury vehicle.

307. On Edmunds.com, a consumer of the 2016 Cadillac Escalade wrote on July 22, 2016:

This is our third Escalade to own. I couldn't be more disappointed in the quality of the car this time. They really cut corners in the interior and it shows from parts coming unglued to the interior leather peeling. On the outside of the car the Chrome transmission on the door popped off and all four doors transmission work between the doors had to be replaced. My car had less than 8k miles and they replaced the transmission. For a vehicle costing almost 100k very disappointed Cadillac. This will be our last.

308. On Edmunds.com, a consumer of the 2016 Cadillac Escalade ESV wrote on January 12, 2016:

Having owned the 2007 ESV I thought long and hard about buying a new 2016. Keeping in context we have owned Lexus since 1990, total of five LS models over the years. Best single auto manufacturer in the world for quality, value, cost of ownership. Unless you need the size of the ESV for family, road travel, don't buy one. Your hard earned \$80K+ needs to go elsewhere because of the workmanship, quality issues. It LOOKS awesome, rides great, it is the fitment, vibration, flutter of plastic parts rubbing against each other that will drive you crazy. The center CUE had a vibration as if a wiring harness had been flopping around. The sunroof decided just this morning that something up in there, needed to be jostling around, and these things happen only when they want to. We have only owned her 3 weeks, she has 735 miles on her. We got her for the room, size to accommodate family. If LEXUS ever decides to make one similar in size, we are in.

Nothing in my review changes except that I will never own another. It is GM junk at the highest level. Last May 22, 2016 we finally got help from the BBB in Washington DC to help replace the original 2016 we bought in Dec. 2015. It took us 6 months to get rid of that pile of junk, replaced it with another pile of junk. Folks other than the dealer experience being so stealor and supportive, I will never own another. PERIOD. From problems with transmission shifting at times I cant understand, to the dye color of the leather already wearing away. Plastic parts look like wood and yet vibrate into a frenzy at times. Listen carefully, you do what you want. If you want to toss money into a pit loaded with stress and problems, then buy this thing. If you want to save yourself the grief, buy Lexus or something else. UPDATE: JUNK it is OVERPRICED JUNK Would love to sell it if you know of anyone interested. DO NOT BUY ANYTHING CADILLAC

309. On Edmunds.com, a consumer of the 2017 Cadillac Escalade wrote on September 25, 2017:

Transmission is horrible. I feel unsafe in this car. It jerks or lunges on me at a stop or slow speed at least once a day. The dealership has had my car 7 times and has not fixed it yet. I filed a lemon law complaint.

310. On Edmunds.com, a consumer of the 2016 Cadillac ATS wrote on August 21, 2016:

When I got the got a few months ago, I was more excited about the electronics than the feel of the car. A few weeks into driving I discovered how erratic the transmission shifting was--you can actually feel the car going into gear and ,in some instances, the engine downshifts, which I consider unsafe. Even with disabling the "stop engine" mode, you can feel the noticeable changes in shifting. It is an unsatisfactory ride and I have owned or leased over 40 GM cars.

311. On Edmunds.com, a consumer of the 2016 Cadillac CTS wrote on July 23, 2016:

Complex cue system, maybe need. Cd tutorial for visual learners, engine designed to stop when brakes applied to stop. Explanation of no spare tire!

Passenger door hard to close due to handles too far forward. Transmission seems to shift hard at times, has refused to change when accelerating hard into traffic

312. On Edmunds.com, a consumer of the 2016 Chevrolet Corvette wrote on October 21, 2016:

Many owners of 2016 Chevrolet Corvettes (some 2015's) are reporting on various internet sites IE: Corvette Forum. Stingray Forum, that their new Corvettes, primarily base models with automatic transmissions produce a 'WARBLE' type noise at exactly 1500 RPM under light throttle load, as when going up a slight grade. I am one of said owners. Go to these internet sites and look up 'WARBLE' and even view the video / audio of the issue / complaint. Currently I understand that owners are invoking the lemon law process; GM 'supposedly' has taken back vehicle (s). Basically there is

313. On Edmunds.com, a consumer of the 2016 Chevrolet Silverado 1500 wrote on May 18, 2016:

For 43K, and purchased brand spanking new, at 3k miles i should not have vibration issues, hard downshifting, and terrible dealer denial. I am so fed up with the lack of quality, and attention to detail. All the bells and whistles don't mean a thing if the vehicle shifts poorly, lunges when placed in gear, and makes terrible noises when it downshifts. The dealer was helpless (i kinda feel for the dealer, they are not the manufacturer. This is an engineering and quality issue).

I DO NOT recommend you waste your money on the 2016 chevy silverado crew, 5.31. Chevy CANNOT get the basic functionality of what a vehicle is supposed to be correct. Don't buy into the look, or the commercials, these vehicles are nothing but polished poop. purchasing this chevy truck was a major mistake and i hope you learn from my mistake, but at my cost. God bless.

314. On Edmunds.com, another consumer of the 2016 Chevrolet Silverado 1500 wrote on June 5, 2016:

Vibration problems started within two weeks of owning the truck. The dealer knows there are vibration problems but there is not a fix. I was told that's the way they are, deal with it. The transmission is sluggish and slow to keep up with the driving situations. The electronics crash frequently. The dealership said it was due to subpar and cheap Chinese made memory chips and control boards. Please do not waist your money on this truck. I traded the truck for a Dodge

Ram after only 2200 mile. Worst of all the dealership fully understands the problems but will not mention them during the sales process. They will gladly take your money and give you a piece of junk in return.

315. On Edmunds.com, another consumer of the 2016 Chevrolet Silverado 1500 wrote on November 23, 2016:

Have owned two Chevy Vans last 18 years never an issue. Wanted a truck to pull my boat. Chose to stay with Chevy given the track record. Truck shifts hard in the low gears. Cold starting the truck jerks into gear and when down shifting it is harder than it should be. Should not feel it down shift. Took it to the dealer and their mechanic got it to down shift hard in parking lot but he said thinks it will smooth out over time. Otherwise I love the truck, comfortable, smooth ride on both highway and around town. Gas mileage is

316. On Edmunds.com, another consumer of the 2016 Chevrolet Silverado 1500 wrote on December 13, 2016:

2016 truck has 2400 miles on it. Is the roughest ride I have ever had in a chevy pickup. Cant travel it because wife feels the truck is going to break down due to the vibration. Had it in the shop 7 times for shimmy(vibration) at medium and highway speeds. Shop changed tires, balanced several times. Nothing they did helped. Dealer told me it was the best they could do. I had several friends drive it and they came to the same conclusion. We all agreed to never purchase a Silverado and pass that statement on to others.

317. On Edmunds.com, a consumer of the 2016 GMC Sierra 1500 wrote on June 9, 2016:

I have had this truck into the dealer twice and I have 6500 miles on the truck. They have done a reprogramming both times and it is fine for a week or two and then starts shifting hard again. I purchased the truck with the larger engine so that I can tow my 22 foot Airstream. When the AS is in tow it is great but not when you have to daily drive. This should not happen for the money paid for the truck.

318. On Edmunds.com, a consumer of the 2016 GMC Sierra 1500 wrote on December 28, 2016:

I've owned my sierra for roughly 8 months now and am very happy with the truck overall. Classy interior, quiet and comfortable ride, strong acceleration and great mpg's (for a truck). One complaint that I do have is with the transmission. From time to time, the tranny will seemingly slip. Other times, shifting is very rough. These issues aren't consistent, but when they do occur, they seem to occur when shifting from 1st to 2nd gear. These issues seem to be common and I've read that they are less about the transmission itself and more about the programming that determines shift points and other transmission related operations. Apparently these things have been programmed for max gas mileage and the result is less than desirable shifting. This is a tough pill to swallow considering I paid 50,000+ for the truck. I'd gladly give up 1mpg for a transmission that doesn't act like its about to fall out of the truck.

319. On Edmunds.com, a consumer of the 2015 GMC Yukon Denali wrote on January 18, 2015:

Almost all 2015 Yukons/Denalis with AWD are having severe problems with the transmission.

Basically, if you used the AUTO setting on the drive selector the trans will lock into 4WD and never come out. GM has no fix for this problem yet. Driving the vehicle like this is unsafe and makes a horrible racket. It might also damage the vehicle.

Avoid any Yukon or Tahoe until the fix is found.

You can google this problem to read more about it

320. On Edmunds.com, another consumer of the 2015 GMC Yukon Denali wrote on August 9, 2016:

Bought the 2015 Denali w/ all the bells and whistles in October 2014. At that time, the new body style was very hard to find, because it was so new. I have owned for over 2 years & have 49,000 miles on

- it. Have major problems when going 65 to 70-75 mph on freeway with the transmission-- while driving and increasing the speed on highway, it feels like the car "jerks" as it accelerates. Its horrible! Have taken to dealership 3X's complaining about it & they look @ me like I am crazy. I am getting ready to trade it in due to high mileage...other complaint is the usb ports--always tearing up my iphone cords. Miserable! When you plug your phone in into the usb, it automatically connects phone to vehicle...if you aren't paying attention, end up missing texts, phone calls, directions. I do love that you can use OnStar w/ directions, & remote start from your iphone...great little perk. Love the 3rd row seats and cargo...haul kids & dogs
- 321. On Edmunds.com, a consumer of the 2016 GMC Yukon Denali wrote on September 26, 2016:

I am so disappointed with my purchase of the 2016 Yukon XL Denali. The issues with this vehicle in just 1 month are endless. The main one being the brakes are sooo bad. I got in an accident after 1 week, because the brakes on the car just dont work. The quality of the seats are so poor, you can feel the springs in the seats. The transmission keeps slipping. I hate this vehicle. DO NOT BUY.

b. <u>Complaints on Cars.com</u>

322. On Cars.com, a consumer of the 2016 Cadillac ATS wrote a review titled "One week after I bought my new ATS 2016" on September 8, 2016:

The transmission control module was faulty, I purchased the vehicle for piece of mind now I worry about more problems arising. So disappointed in the quality

323. On Cars.com, a consumer of the 2015 Chevrolet Corvette wrote a review titled "Automatic sucks" on July 2, 2017:

Happy to get rid of car!! Car stumbled like had bad gas. 93 octane same problem. CHEVROLET would not return my call

324. On Cars.com, a consumer of the 2016 Chevrolet Camaro wrote a review titled "Rear diff and trans issues TSB" on September 28, 2017:

I have less than 6k miles on my Camaro 2ss and it has had the transmission flushed 3 times, the rear diff flushed 9 times and the shudder is back. There is a TSB for this issue and for some reason Chevy can't get it worked out. Other then that I love the car! It is a beast it has good seating, explosive power with 455 hp 455 tq, the interior is much better than my 2010 2ss. Overall I would buy this car again it is a great handling car, with more tech features than I need.

325. On Cars.com, another consumer of the 2016 Chevrolet Camaro wrote on August 16, 2018:

THE CAR LOOKS FANTASTIC INSIDE AND OUT. INTERIOR IN THE 2LT/2SS IS AWESOME. THE V6 IS FASTER THAN MOST PEOPLE THINK IT ALSO HAS GREAT HANDELING. HOWEVER IF YOU ARE A CAR ENTHUSIAST THIS PROBABLY ISNT THE CAR FOR YOU. THE STEERING IS NUMB, SEATS ARE MORE FOR COMFORT RATHER THAN SUPPORT, 8 SPEED AUTO CAN BE A BIT DIMWITTED AND SLOW, AND THE DRIVE MODE SALECTOR CHANGES ABSOLUTLY NOTHING EXCEPT THE STEERING WEIGHT (BUT ITS STILL NOT HEAVY ENOUGH) AS A STYLISH COMFORTABLE COUPE IT IS FANTASTIC, BUT AS A SPORTS CAR ITS A BIT TOO NUMB AND DIALED DOWN. I ALSO HAD ISSUES WITH BUILD QUALITY. THE INTERIOR HAD SEVERAL RATTLES MAKING IT ALMOST IMPOSSIBLE TO DRIVE WITHOUT MUSIC ON. THE EXTERIOR ALSO HAD A FEW PANNEL GAPS. ALSO IF YOU WANT SOMETHING UNIQUE THIS IS NOT THE CAR FOR YOU!

326. On Cars.com, another consumer of the 2016 Chevrolet Camaro wrote on March 22, 2019:

I love the style inside and out, but only owned a month and had problem with 8 speed automatic. It started slipping in and out of gear and felt like running over a wash board. The dealer did a transmission flush and added special fluid and told to drive 200 miles to see if fixes. If not bring back. I understand chevy has a problem with this tranny and trying to correct short of a new transmission. What a bad situation for the owner and feeling of realiability when driving.

327. On Cars.com, a consumer of the 2015 Chevrolet Silverado 1500 wrote on August 14, 2017:

There seemed to be something wrong with this truck from the time we bought it till we got rid of it. It had really funny sounds, it wouldn't go when we tried accelerating, it was almost like a putt putt truck. Was So Happy we traded it in on a New Ram!

328. On Cars.com, another consumer of the 2015 Chevrolet Silverado 1500 wrote on November 24, 2017:

we feel we decided wrong to select the dealer they do not check the vehicles. I do not trust anymore, this vehicle presents problem with the transmission...., think so it's a shame

329. On Cars.com, another consumer of the 2015 Chevrolet Silverado 1500 wrote on January 31, 2018:

2015 Z71 standard cab 4x4. This is the worst shifting truck I ever owned it also had a 308 rear axle made for highway not towing. I bought a 2017 with same motor 5.3 but with a 342 rear axle, What a major difference! The 2015 also had Goodyear tires and major vibrations, The 2017 has Bridgestones and it rides and shifts awesome like a truck should, So if your looking for a New truck definitely check the difference on 308 vs 342. With the 308 it shifts and bangs and gets confused when to shift.... 342 imo is the only way to go!!

330. On Cars.com, another consumer of the 2015 Chevrolet Silverado 1500 wrote on August 28, 2018:

I but a brand new 2015 crew cab Silverado from the 2 months I have problems I never buy another one is my last one first all the lights in the dashboard at 25000 miles the transmission went out And

now at 94000 miles my engine making all this noises is not a safe truck to drive I talk to couple of my friends they're having problems too'

331. On Cars.com, a consumer of the 2016 Chevrolet Silverado 1500 wrote on December 16, 2017:

Nice extirier and intirier but engine knock and problom with vibation when driveing down the road take it to dealer to be repair and thay said its normal

332. On Cars.com, a consumer of the 2016 Chevrolet Silverado 1500 wrote on April 28, 2019:

The transmission is shuttering and slamming into gear it's just over its 41,000 Chevy said they know that there is a problem they have tried to fix it at 980 dollar bill and it is still doing it. It doesn't matter shifting up or slowing down it feels like it's going to fall out. They won't stand behind the transmission, even though it a known problem.

333. On Cars.com, a consumer of the 2015 GMC Sierra 1500 wrote on December 14, 2018:

I got a lemon. Roof leaking, received damaged spare tire/equipment, transmission is slipping, heated seats failed already, the dealerships/service are awful. I will never buy another GMC ever. Not to mention, second model from top Denali... no heat to the backseat!!!

334. On Cars.com, a consumer of the 2016 GMC Sierra 1500 wrote on October 1, 2017:

61000 for a old tractor like ride. They can't fix it. They tried. Don't think even manufacture knows the cure. Poor quality. Better drive one at freeway speeds before buying cause they can't fix if it shakes or vibrates

335. On Cars.com, a consumer of the 2015 GMC Yukon wrote on January 17, 2019:

My 2015 Yukon Denali is 4 whl drive, the transmission when put in reverse seems to have a second engagment a couple second after putting in reverse which is troublesome. Anyone else have this issue?

336. On Cars.com, a consumer of the 2015 GMC Yukon wrote on February 7, 2019:

DO NOT BUY THIS VEHICLE NOTHING BUT TROUBLE ONE THING AFTER ANOTHER \$70,000 pcs of junk AIR COND COMPRESSER FRONT REAR STRUTS TRANSMISSION PARKING SENSOR ALL KINDS OF RATTLES BUY SOMETHING ELSE YOU WILL BE THANKFUL

337. On Cars.com, a consumer of the 2017 GMC Canyon wrote on September 13, 2018:

Save your money and buy something else. The seriously flawed 8 speed transmission will leave shuddering and vibrating due to a faulty torque convertor design. It feels like you are driving over rumble strips. Worse yet, when you accelerate the transmission bogs down and is a serious safety issue. GM is clueless. I understand they may have a new design torque convertor but you are put on a waiting list. Meanwhile, makes you wonder what all in the transmission is being damaged as they will not pay for a loaner vehicle until the parts come in, even under their own warranty. So you simply drive the piece of junk and hope for the best.

338. On Cars.com, another consumer of the 2017 GMC Canyon wrote on June 23, 2018:

This 2017 slt vehicle is a disappointment. Bought it new April 26 2017, today is June 22, 2018. I have 4500 miles on it. Had it in the shop 2 times for a total of 43 days for transmission problems. It would down shift very hard from 3 rd to first. Felt like something was

grabbing the rear rend. 1st visit the dealer had for 3 days and, after 'tweaking the software', said the hard shifting was normal. Second time I requested a ride along. That dealer employee happened to have a 2018 canyon, which was good because he could make a legitimate comparison. When the problem demonstrated itself, he said 'whoa, mine does that but not THAT bad'. Then the wait started. Service mgr had to discuss with GMC big boys. They wanted to keep 'tweaking the software'. Then they wanted technician to 'tear it down'. Fortunately the tech said was stupid and the Gmc big boys finally authorized a new transmission. Then it took 14 days to 'find' a transmission and install. Total of 43 days. In January 2018 I started to experience a feeling/sound like going over rumble strips. I waited until it finally got so frequent and pronounced that when I took it in the dealership could not deny experiencing it. Or say 'that is normal'. I took it in June 11. It is now June 22. Decision is that it is the torque converter. But they haven't even started to replace it because there are no torque converters available. But, I should be glad to know that I am first on the list. Whoopee!! 55 days total in the shop for transmission and torque converter and counting. And this is assuming they will not find any other problems once they start. After this is resolved then they have to address the suspension. The ride has progressively gotten worse. It is like riding over cobblestones regardless of speed or road surface. This is already on my problem list at the dealership. Very much regret giving up my 2005 midsized foreign truck. I am making payments but cannot use my truck. I will say the service mgr did give me a compensation after my transmission saga. Soothes the pocketbook a little, But sure hasn't taken away the frustration, irritation, disappointment, aggravation we are experiencing. Don't know if I will every feel comfortable with this vehicle b [review cut off]

339. On Cars.com, a consumer of the 2017 GMC Yukon XL wrote on February 5, 2019:

The 8-speed transmission is horrible and doesn't drive smoothly. I've never spent so much money on a car and been so unhappy with a car. We are in the process of trying to get it bought back...

c. <u>Complaints on CarComplaints.com</u>

340. On CarComplaints.com, a consumer of the 2017 Chevrolet Silverado 1500 High Countrys V8 with and automatic transmission wrote on September 1, 2017:

I found hundreds of complaints about a transmission slip, bump feeling when starting to drive or slowing to a stop with no solutions or suggestions. Took it in last week for the third time and after hearing the previous 2 times that it was a "programming issue" they told me it might be the drive shaft.

When I went to pick it up at Chevy they told me the drive shaft was fine and gave me the following bulletin (#PIT5161F). Basically states that if you do not have a full or empty tank - the shifting in fuel can cause these characteristics. So here I am thinking that I have a \$56,000 truck (high country 4x4) with no rear a/c and now I have to deal with a feeling of getting rear ended if I do not have a full tank of gas. Rear AC - my fault for not noticing...but not sure how GM thinks this gas tank issue is acceptable. Its a truck that weighs over 5,000 lbs and a couple hundred pounds of gas "shifting" can make it feel like it has transmission issues. Owned it about a year and has 15,000 miles on it. Wish I could just return it at this point.

341. Also on CarComplaints.com, consumers commenting on the 2015 Chevrolet Corvette repeated their Transmission Defect issues, including one at https://www.carcomplaints.com/Chevrolet/Silverado_1500/2017/transmission/surg es_and_jerks.shtml (last accessed May 7, 2019). It stated:

a) On May 1, 2015:

8 speed automatic transmission down shifts at a stop with such force it feels as you have been hit from behind by another car while coming to a stop. Transmission also will not always engage properly and will over rev and slam into gear possibly causing an accident. Transmission at times will disengage while going forward then slam into gear with great force. I was told by a GM insider that GM is aware some transmissions are defective and is working on a kit to fix

the fluid starvation problem internally but has done nothing to inform owners of the potential dangers of erratic shifting that it's causing while driving. This also causes the transmission to over heat and to illuminate a warning lamp.

- Downers Grove, IL, USA
- b) On February 27, 2016:

8-speed automatic transmission always shifts erratically when starting out cold (lazy shift, slow shift, etc.) and occasionally does not downshift when car comes to a stop, only to slam hard into 1st when gas pedal is pressed to resume travel. Dealer says GM claims this is "normal," but no car I've ever owned behaves like this. Appears to be fluid starvation internally. Any fix/replacement would be costly for GM, so given their history w/faulty ignition switches, not surprised they're trying to avoid it. Transmission is definitely not normal and behavior is unpredictable + unacceptable -- especially at this price. When car is moving & transmission is in drive and trying to lazily shift gears, you temporarily lose ability to apply power, which is both dangerous and unnerving. Clearly, this transmission was put into production w/inadequate testing & development. A recall is necessary to fix properly.

- Kansas City, MO, USA
- c) On November 22, 2015:

Automatic 8 speed transmission had to be replaced at 2000 miles on the odometer due to hard shifts and shifting automatically to low gear at highway speeds nearly bringing the car to a stop in interstate traffic, now 700 miles and 4 months later the transmission is stuck in second gear and you cant drive fast enough to get out of the way of traffic. And I know of several other cars like it that have similar problems. This is a real safety problem and GM seems to ignore it, probably until someone gets hurt or killed.

- Lexington, KY, USA
- d) The A8 automatic transmission in the 2015 Corvette is prone to occasional hard downshifts from 2nd to 1st gear when driving at slow speeds (less than 10 mph). Sometimes the downshifts are so

violent that the car jerks forward several feet. The first time it happened I thought I had been rear ended by another car. The unpredictable behavior of the transmission is especially dangerous in proximity to pedestrians or other vehicles.

- Salado, TX, USA
- e) On January 7, 2016:

Automatic A8 transmission has the following issues: 1) morning shift from reverse to drive severely delayed, bangs in eventually. 2) erratic shifting in normal traffic 3) the 2-1 downshift when coming to a stop results in severe bang, lurches forward and is very unsafe in a parking lot situation. Also in stop and go traffic, same lurching forward. Feels as if someone hit you from behind 4) torque converter lockup in 5th and 6th gear. Dealer tore apart the car to replace the stator, performed software update - neither solution worked.

- -Murphy, TX, USA
- f) On October 16, 2017:

I had my vehicle serviced at dan vaden Chevrolet in savannah, ga on 16 Oct 2017 at (12,200 miles). My main concern was a shudder and jerky motion the car starts demonstrating while in motion, accompanied by fluctuating engine rpms. After researching on the internet there are 1000's of issues with these torque converters and who knows what accidents these failures have caused. There should be a total recall on these transmissions. A service department technician test drove my vehicle and confirmed and documented my concerns and stated it was okay to drive? I am scheduling another service at (13000 miles). A search of the internet will fill you full of facts on these failures. Problems with the torque converters with these high end vehicles are well on the way to become another Corvette issue of epidemic proportions. Please assist.

- Hinesville, GA, USA
- g) On March 22, 2016:

2015 Corvette stingray Z51 - 8 speed automatic transmission torque converter. With only 7,500 miles on the car it started to run jerky and rpms would fluctuate for no reason (especially at highway speeds when fully warmed up). Often felt like driving on a washboard dirt road. After a cold start, there was a delay after shifting into drive. When it engaged after several seconds it would do so violently, lurching the car forward suddenly. Dealer diagnosed faulty torque converter as defective and a known problem with these transmissions. After less than 2,000 miles the symptoms returned and the dealer again replaced the torque converter. So now I'm on my 3rd defective tc. After 1,700 miles, symptoms returned again! dealer said that Chevrolet and GM have ordered a stop on replacing the tc's since no fix was available. GM advised to drain and flush tranny, refilling with mobil1 transmission fluid. This seemed to work (only for a little longer) but is worrisome because in the future service, a technician will likely refill with GM fluid, not mobil1. Especially if a second owner. Now at 16,100 miles the symptoms are returning! jerkiness, slamming into gear after a delay on cold starts. GM seems to have turned their back on stingray owners by kicking the can down the road beyond warrantee (with the mobil 1 "band-aid fix"). on the forums there are so many owner complaining about this same issue. I am amazed that there is no official investigation resulting in a recall. This Z51 LT3 stingray was \$75,000 otd! for this cost we should be able to expect a quality vehicle and a motor company that stands behind it! can somebody please help us with this serious and potentially dangerious problem?

- Wellington, FL, USA
- 342. Also on CarComplaints.com, a consumer of the 2015 Chevrolet Silverado commented on November 1, 2015. https://www.carcomplaints.com/Chevrolet/Silverado_1500/2015/transmission/tran smission_shifts_poorly.shtml (last accessed May 7, 2019). The complaint stated:

I've been researching hoping to find a solution to the 8 speed transmission in my 2015 Silverado LTZ Custom Sport Z71 with 6.2 l. It does the same as many others have described on here. The shifting is horrible, feels like its going to rip the drive line out at times. I've taken it back to the dealer at least 5-6 times, I've been told it needed to

be reprogrammed, that it needs to get used to the way I drive, and poor gas. Finally the dealership replaced the transmission and this was great, my truck was driving and shifting like it should and then after a couple of months it went right back to doing the same thing, it even surges at times when you first put it in gear so you best have a good foot on the brake.

I'm at a loss now, I don't know what to do. I got a price to trade it in but it was going to cost me a great deal more and I honestly don't see why I should have to spend more to get a vehicle that is mechanically sound when my truck only has 15,000 miles on it. I love my truck, the 6.2 has excellent power but what happens when my warranty runs out.

I've watched and hoped someone would start a class action lawsuit against GM for knowingly selling vehicles with problems. Or have they fix the problem in the 2017's. I know some of the corvettes have the 6.2 motor do they have the 8 speed transmission also? If so do they have the same problems?

As for the lemon law, I'm in Louisiana and honestly not sure if that would work here. I just know when you pay 56,000 dollars for a vehicle you expect to have zero trouble out of it.

If anyone finds a solution please post it here for us all to see.

- Lando S., Anacoco, LA, USA
- 343. Also on CarComplaints.com, consumers of the 2017 Chevrolet Silverado commented on their Transmission Defect issues, including the following complaint at https://www.carcomplaints.com/Chevrolet/Silverado_1500/2017/transmission/surges_and_jerks.shtml (last accessed May 7, 2019).

a) On November 22, 2016:

My problem is like a lot of the other complaints that I've been reading. I purchased my 2017 LTZ Z71 with a 5.3 and 8 speed transmission in late 2016 and after driving it for a month or so I really started to notice surges and jerks mostly at low speeds and sometimes

slowing down coming to a stop. The jerks sometimes feels like I got hit from behind. After several visits to the dealer and long discussions with service management, I was first told it had to learn my driving habits. Then I was told it is a characteristic of the transmission. I recently took it back and they replaced the transmission fluid and told me they were going to replace the torque converter early next year when the new design came out. So I guess have to just put up with it, I just don't know for how long.

- Rudy D., Corpus Christi, US
- b) On January 3, 2018:

Purchased 2017 Silverado 5.3 w/8 speed auto on Dec 20 2017. At approx 535 miles, transmission began shifting hard at speed under 15 miles per hour, included a "clunk" similar to a universal joint going bad. Problem exists with both up shift and down shift. At 2066 miles truck started to surge as I slowed to stop. A heavy clunk and surge gave me the impression I was hit from behind. I stopped at selling dealer and service advisor assured me that this transmission had a "learning" curve that adjusted to my driving habits and i should drive for 10,000 miles to allow the system to "learn" my habits. Deciding that sounded like a great story I Googled for Silverado's with 8 speed transmission issues and found more than I cared to.

I have seen all the complaints and concerns but no solution from GM. I fear I have invested a bunch of money into a disaster. Having owned over 7 GM products over 57 years I am disappointed with this one. That said I'm heading back to dealer today.

Any GM service people monitoring this or anyone that has a definitive solution I'd appreciate a reply.

- Gary L., Cumming, US
- c) On February 4, 2018:

\$62,000.00 truck including the new CORSA 3.5" exhaust and COLD AIR INDUCTIONS sealed cold air intake box. This truck shifts horribly throughout the 1-2 shift and especially the 2-3 shift. How can these 8 speed transmissions function this poorly. I had a 2012 AUDI Q7 S-LINE with over 110K miles on it. The 8 speed

transmission worked flawlessly the entire time I owned it. Every single shift whether flooring it or accelerating as slowly as humanly possible, were seamless and exuded quality engineering and workmanship. How can this transmission shift as poorly as it does with only 4637 miles on my truck. GM big wigs need to start taking some pride and responsibility in their most profitable and best selling vehicle that they sell.

- 98supra6spd, YPSILANTI, Michigan, United States
- 344. In another comments page on CarComplaints.com for the 2017 GMC Sierra, consumers stated at https://www.carcomplaints.com/GMC/Sierra_1500/2017/transmission/hard_shift_in_and_out_of_first_gear.shtml (last accessed May 7, 2019).

a) On April 3, 2017:

When going slow it will shift hard and clunks sometime worse then others when shifting from 1st to 2nd and other times it works right. I have had it to the dealer at least 3 times. 1st time they said it was too new and had to learn my driving habits. At about 3500 miles they did a adaptive relearn. The third time they found an update and did a relearn, no change. Now there is around 7500 miles on it and I was told there is nothing else they can do and this normal for this 8 speed transmission. At 58000 dollars it is ridiculous to think this is OK. They need to come up with a fix for this. I'm not the only one with this problem go on GMC trucks.com. There are 9 pages of complaints for this problem. I would be afraid to buy the new 2019 truck coming out, as they can't even get the current model right.

b) In January 2019:

January 4, 2019: I dropped my truck off at the dealership service department and informed the sales staff that I was having a significant engine/transmission related problem that I did not feel comfortable driving the vehicle. I made an appointment and left the vehicle. It is current being troubleshot; the mechanic informed me that an ejector must be replaced and the transmission must be further analyzed to determine what is going on with the vehicle. I was

informed that a loaner vehicle may be provided if they can not repair my truck in the near term. I am currently renting a car for getting to/from work. This problem was noticed on the first day of purchase but I was informed that it was normal, but the problem has gotten worse and more intense.

Update from Jan 9, 2019 I purchased the 2017 GMC Sierra, Crew Cab, SLT 1, truck from Sam Taylor Buick/GMC/Cadillac in Fort Walton Beach FL. I noticed a faint shifting problem immediately, but was told it was normal and it would go away eventually. The problem has become extremely noticeable and severe at times. I do not feel that the vehicle is reliable to drive outside my immediate commuting area until it is repaired by certified GMC mechanics. Sam Taylor Buick, GMC, Cadillac is now under new ownership and they are trying to resolve the mechanical issues with my vehicle. I will give the a fair opportunity to do right by their GM product. I will update this post as more information comes to light.

Update from Jan 14, 2019 Step One Buick GMC of Fort Walton Beach, FL has been working on my 2017 GMC Sierra 1500, 6.2 L truck for almost 1 week now. I rented a car during the first week and now waiting to get a loaner. The Service Department says its put back together but requires a road test; its now1:52 pm --apparently the road test must be a length process. No calls yet. Why hasn't the State of Florida, Texas, and other Consumer Affairs agencies gotten involved with this GMC Sierra vehicle issue? (Rhetorical) The public always get lip service and NO ACTION but when it comes to enforcing product standards and laws to protect the public. These vehicles should be classified as lemons after Big GMC fails to correct the defects!

Update from Jan 15, 2019 Step One Automotive Group, aka Sam Taylor Buick Cadillac, returned my 2017 Sierra after 1 week of troubleshooting the check engine light, vibrating steering column, as well as the shuddering and knocking in low gears. The remedy was to replace an ejector, clean the trans pan, and replace the transmission fluid. I still feel the shifts during the transition through the lower gears, but its a bit smoother....no banging from the rear differential. The Service staff could have followed through with providing the loaner vehicle once I returned my rental car. The good part is that I was not charged for the repairs. The Service Department staff was on

point and the mechanic work acceptable, however, I do not believe the issues have been permanently resolved. Time will tell. If there is a recurrence of the same issues, I will likely trade the GMC Sierra for another brand that is more reliable.

d. Complaints on gmauthority.com

345. Similar comments have been posted in threads on gmauthority.com, including the following comments discussing the 2016 GMC Sierra at http://gmauthority.com/blog/topic/2016-sierra-8-spd-issue/ (last accessed May 7, 2019). One commenter began the thread on February 1, 2016 as follows:

I took delivery of a 2016 Sierra Denali (5.3 V8, 8-Spd, 3.42) in November and had to take it into the dealer a week later for a transmission issue (coming to a stop the truck would shudder as though the transmission was shifting hard into first gear or as though the engine was about to stall). 3 weeks after taking it into the shop, GMC engineers determined that there was a torque converter problem that was staying engaged too long causing the engine to nearly stalling out when coming to a stop. They okay'd replacing the entire transmission for a new one. I finally got the truck back (a MONTH after first taking it into the shop – and yes, the truck spent 30 days of its first 39 days of ownership in the hands of my dealer) and figured that would be the last of my problems. Since then, I've noticed that when yielding – or in traffic/congestion – when I'm slowing down almost to a stop (around 5 mph or lower), then stepping on the accelerator, there will be a long (1 to 2 seconds) delay between me stepping on the accelerator to move and the truck shifting into first and beginning to accelerate. I took it to the dealer again, and they claimed the delay and even "hard" little shifts are normal for this transmission because it is "adaptive" and constantly learning... What? I at first bought it (they are the pros), but I'm beginning to hate not having the confidence of pulling out of a driveway, side street, etc. and being able to immediately get the power and acceleration I need to get out of the way (or better yet to get on my way). Is anyone else here having similar issues with their new GM 8-spd?

(a) A consumer responded on this thread on February 11, 2016:

First post. Hate to see you are having problems. Thought I might be the only one after hearing what service department is telling me. I just bought a 2016 Silverado LTZ with an eight speed and it shifts horrible. Love the truck but not fun to drive while taking off and stopping. Truck has 1400 miles on it because according to service department I have to get my truck to learn my driving habits. I am either a bad driver or have a truck with a learning disability. When truck sits over night or going home from work it always jerks a couple times taking off. Never fails. When I first bought, every time I would stop it would do something that felt like it was still shifting down when I should be stopped and actually feel like a double stop or surge forward. May sound crazy but really is the only way I can explain. There has been a couple times when I pulled into a parking spot to where it felt like I hit a curb because of the way it would stop. I have never experienced anything like this with any vehicle I have ever had. Seems like the computer is not in sync with the transmission at all. I will make turns and vehicle don't seem to downshift when it should. I truly feel like I am driving a manual shift truck without using clutch. Love the truck and hope enough people speak up so this problem can be fixed. According to my service department vehicle runs as it should. If this is the case I wish I would have kept my perfect running 2013 Ford F-150 4×4.

(b) A consumer responded on this thread on November 15, 2016:

I purchased a 2015 Sierra SLT with 6.21 and 8 Speed in August 2015 and when it is cold meaning its been setting a day or so, you will almost always get a slip in the transmission causing a several second delay. I had went to a show for my company in Atlanta GA and almost got hit because, I backed out onto the street and when I put it in forward it would not go for several seconds because it just revs up the stairs shudders going forward. I have taken it back to my dealer twice and they cannot recreate the problem so, they have done nothing. I ran into a man at my dealership who was in the process of describing the exact same problem and gave him my business card to see if they fixed his issue. The dealership told him the same thing and he called me yesterday to let me know he and his wife got hit in the Highland NC because, he backed out and could not go forward just like I do weekly in mine. I now have a couple phone videos of mine

doing it to show my dealer again but, I am wondering what to do as they have not done anything yet.

(c) A consumer responded on this thread on December 5, 2016:

I just bought a 2017 silverado ltz 6.2/8-speed and I'm experiencing similar issues! If I'm driving 35-55mph every once in a while I get a shudder in the wheel for a brief 1-3sec on and off while I'm at these speeds it's so frustrating!! The truck has 500 miles on it and my old 1995 silverado with 185k drove with no shudder or vibration issues.

(d) A consumer responded on this thread on December 5, 2016:

I purchased a 2017 GMC Sierra 5.3 with the 8 speed transmission two weeks ago. (This is my 5th GMC truck) no previous problems.

I now have 1000 miles on this truck.

I noticed the truck shudders and seems to have a hesitation between gears, especially at low end. I went in on Dec 2nd 2016 and talked with the dealer who said it takes a while for the transmission to learn my driving habits. What? . It also clunks when taking off. Was told the clunk is normal. This morning Dec 5th i warmed the truck up for ten minutes put it in reverse and the truck would not move. just revved up. 10 seconds later it slowly starts to back up onto the street. I put it in drive and it still won't go ,just reeves up for another 10 seconds before it finally jumps into gear. Made an appointment to bring it back to the dealer.

This can not be normal for a commercial grade pickup.

(e) A consumer responded on this thread on December 19, 2016:

I bought it brand new Dec 2015 (2015 High Country 4×4, 6.2ltr V-8) with the new eight-speed Hydra-Matic 8L90 transmission. So I've had it a year now and have put 19k + miles it. I noticed about a month ago when the engine was cold and I went from park to drive it felt as if I was parked on a hill and the trans was in a bind, taken 1-2 seconds before roughly engaging in gear. Then it started doing it more

often even when the transmission fluid temp was above 130. Well last week it began to shudder almost like driving over road strips before a stop sign. I also noticed that if I had it on cruise control between 40-60mph the tachometer would rev up every time it shuttered/vibrated. It took it back to the dealership as it is still under warranty and had the mechanic ride with me so he could see for himself what my Chevrolet was doing. He knew immediately as to what he thought was causing the vibration...torque converter he says! So as of right now it is in the shop to replace the torque converter with an upgraded one per this bulletin 15389 which provides a service procedure to reprogram the transmission control module (TCM) on certain 2015 model year Cadillac Escalade, Escalade ESV, Chevrolet Silverado, GMC Sierra, Yukon Denali and Yukon Denali XL vehicles equipped with an 8L90 8-Speed (M5U) transmission and 6.2L (L86) engine. These vehicles may have a condition in which transmission calibration allows a higher than target energy input to the torque converter clutch (TCC) under certain conditions. This may lead to faster than expected torque converter clutch material wear, and a shudder feeling.

(f) A consumer responded on this thread on November 15, 2017:

Good day to you all. I have a 2016 Sierra with the 8 speed transmission. At 18300 miles I took the local dealer because of a vibration at low RPM throughout the gear range; rough idle; and jerking gear changes from 1st to 2nd at low speeds.

The dealer had the truck for 5 days. They had to await the back-ordered tranny flush juice. They did the "triple flush" of the tranny and also replaced all 4 engine mounts. They claimed they updated the software on the truck engine management control and they also updated the software on the infotainment system.

I now have 19300 miles on the truck, and it is now going back for the exact same reasons – rough idle (not as bad as the first time), and the start of the vibrations.

I expect them to keep the truck for a week, as I dont wish to continue going back there every 6-8 weeks.

I was advised that they are short handed WRT transmission specialists. This is a common excuse in Fort Lauderdale, with at least 5 dealers all "sharing" the same transmission specialists.

My humble advise is to have them do the tranny flush and confirm there is a warranty on these services. I assume the flush is good for +- 1500 miles MAXIMUM.

As soon as I have my truck back, i shall report the dealers explanation.

(g) A consumer responded on this thread on December 12, 2017:

bought a 17 Denali 6.2 w/8-spd in march of 17. I finally got around to taking to the dealer for a shifting issue from first to second gear (19k miles). If I was accelerating slowly it would shift very hard into second. It appeared as though the RPMs would go too high before shifting, then slam in to second. They replaced my transmission, and now I have a whole new set of problems. Its sluggish and hesitant between gear 1-3 or maybe 1-4 when accelerating, and sometimes clunks into first coming from second upon stopping. Needless to say I'm on the verge of trading it in.

(h) A consumer responded on this thread on August 16, 2018 and on August 21, 2018:

I purchased a pre-owned 2017 GMC Z71 with the 6.2 and 8spd in April this year. It had 10,500 miles on it at the time and I really like/liked the truck. Great power, fuel economy and very comfortable. Last moth while traveling on the interstate (on vacation 250 miles from home) it started exhibiting the same problems mentioned above (like someone flipped a switch). At first I thought I was riding on rumble strips and tried swapping lanes, no change. Next I noticed the engine RPM's were fluctuating and it felt like it was hunting for the right gear. It also exhibited the same problem mentioned in another post above when going uphill. We were not towing anything, the hitch had never been used when I purchased the truck and I have not pulled anything heavier then our 16ft boat. The truck had 16,700 miles on it when this started. Once we arrived at our vacation destination I did a search to see if other people had been experiencing problems with

these transmissions and after viewing all the post I wished I had done more research before purchasing this truck.

I was finally able to get it to the dealership and left it with them on August 6th. They still have it and can not correct the problem. They did the flush and replaced the engine mounts. They also commented that they know there are problems with this transmission. I was told yesterday that they are trying to contact GM to see what to do next. I have purchased 6 new GM vehicles over the years and 7 pre-owned GM vehicles and never experienced anything like this before with them where the problem couldn't be corrected. If they don't get this corrected I will be done with GM.

[August 21, 2018:]

The dealership called Friday (August 17th) and stated they had the problems resolved. I picked the truck up around noon and initially it performed great. After about 40 miles of driving I made a stop and upon starting the truck the shudder came back while idling as well as the rpm fluctuations. At highway speeds the shudder comes and goes and a couple of times it acted like it was hunting for the right gear which was one of the problems it had before the repair attempt. I contacted the dealership and they stated they would look further into the issue. If the TCM is really "learning" my driving habits then I will have to agree with an earlier post that the computer has a learning disability.

After a couple more days of driving the truck it is starting to look like all of the original issues may be returning.

I will say the dealership has been very cooperative and wants to resolve the problem. They even picked up the extra cost of the rental beyond what GM covers.

I have also contacted GM priority care. Below is their response and I will keep posting updates.

"We understand how you like to have this issue resolved and we would like to work closely with you along with the GMC dealership in resolving this issue. Due to the nature of your concern we will endorse your case to a Senior Advisor who will continue to work directly with you and your dealership to review your vehicle and concerns. Please know that all the information you have provided will be available to both your dealer and Senior Advisor as well. We will forward your case to them and the Advisor and Dealer will review your case and vehicle details, and one of them will be in contact you within 2 business days to assist you further."

e. Complaints on gminsidenews.com

346. On gminsidenews.com, a consumer posted on September 12, 2017:

2018 8 speed transmissions

Does anybody know if the 2018 model GMC 1500 trucks have upgraded -improved the 8 speed transmissions? My 2016 has only 10000 miles and at the lower speeds it has always shifted funny and sometimes hard. Out on the highway it shifts good in the higher gears. I have to let it warm up alittle or it jumps into gear. I was going up the driveway the other day and the transmission just quit for a second and jumped back into gear. I have contacted the dealer but he says that all the 8 speed trans act that way. Wish now that I would have stayed with the 6 speed trans as my 2014 Tahoe has never given me a problem and shifts smooth.

f. Complaints on gm-trucks.com

347. Similar comments have been posted in threads on gm-trucks.com. See https://www.gminsidenews.com/forums/f22/2018-8-speed-transmissions-278401 (last accessed May 7, 2019). One commenter began a thread titled "My own 8 speed problems & resolution" on March 1, 2016 as follows:

I wanted to post up my own experience with my 8 speed transmission in my 2015 SILVERADO HIGH COUNTRY 6.2L 8 SPEED 8L90

I bought the truck brand new in July 2015. Manufactured date of April 2015. I purchased it from a dealer in NH and they have been great to deal with.

So here is the story-->

July 2015 --> At first the truck was flawless. It shifted butter smooth and on a very rare occasion (once a week maybe) it would clunk slightly when downshifting. It was totally negligible.

- ***As time went on and the mileage increased it got worse. Here is a list and description of what it was doing once I hit about 3500~ miles. It didn't clunk and act sloppy all the time. HOWEVER, there is a good 65% chance the truck was going to shift poorly.
- It clunks (HARD) into lower gears when slowing down/downshifting. This is the biggest issue and has continued to happen up to now.
- Taking off from a stop with smooth, consistent acceleration, it has trouble deciding the correct gear and vibrates.
 - Same scenario as above, the rpm's fluctuate.
- It makes clicking noises constantly when shifting. If you manually shift it, you can hear clicks in almost every gear.
- I can MAKE it clunk hard if I coast in gear 7 and manually shift it into gear 6. **NO RELATION TO AFM/DoD WITH THIS.**
- For some reason, turning into another road or turning in a slight corner and accelerating will make it downshift and clunk hard.
- Going from Park to Reverse either cold or after driving it would slight clunk, then engage a second or two after the initial clunk is heard/felt.

December 2015 --> I took it to my dealer at the 5000 mile oil change/scheduled maintenance and I had the service manager ride with me to hear the clunking. The truck was really acting up that day, and it was clunking like crazy. The service manager said he heard the noises clear as day. He told me the 8 speeds have some clunks, and because they are so new people need to get used to them. He gave me the whole they need to learn and EPA demands greater fuel mileage talk. I disagreed with him and we had a long conversation. I mentioned to him when the truck was new it did not do this.

When we returned to the dealership, this is exactly what he told me: "this is normal operation, we are not going to do anything about this issue"

I asked him to at least check for updates and go over the truck top to toe and check motor mounts, transmission mounts, spring shackles, etc. Just to rule out any possible 'looseness' that could cause the clunks. The work order said they checked for updates and looked the truck over. They found nothing out of place and no updates available.

Around two weeks later, with 7200~ miles on the truck, I was talking to my uncle about the transmission issues and he called his local Chevy dealer on my behalf. The service manager said the 8 speeds have a couple updates available, and to bring my truck up to see if they apply to it. He said the update had really helped a couple 8 speeds they had recently sold. So I drove up to their dealer (an hour in the opposite direction of MY dealer) and they hooked my truck up. I figured MY dealer had done the updates, but there was an available update. They updated it and it really didn't help much. It seemed to make the truck hold a little higher RPM cruising, but I didn't notice anything besides that.

March 2016 --> Just yesterday I dropped my truck off at my purchasing dealership with 9800~ miles. I asked them to do the scheduled maintenance, and look into the transmission one more time. Especially considering it hasn't gotten better, it got worse. I specifically asked them to drop the pan and look at the fluid, valve body, etc. They called me Monday afternoon and told me they took an extensive look at my transmission and they are going to put a new transmission in it. They said after driving it/taking a look that it is "A GM candidate for a new transmission" because of the "symptoms it exhibits"

In 5-8 days the transmission will arrive from Detroit and then they will put in a new transmission.

I will keep you all posted on the results and we will see if over the next 10k miles the new transmission stays smooth.

. . .

I am giving GM a chance to fix the problem. Out of all the 8 speeds they have manufactured, they can't ALL be bad.

If this doesn't fix it I will ask them to buy it back. If they wont buy it back, then I will trade it in. Lesson learned.

On March 22, 2016

I just dropped the truck off at the dealer this evening. I just hit 10000 miles. The tech wanted to hear it. I drove, and I got it clunking quite a bit. He told me the way my transmission was clunking was NOT normal. He also said they have had a lot of concerns with 8 speeds. He said most of the 8 speeds have slight clunking that is due to tolerances/backlash which is understandable. He also mentioned the torque converters have been known to 'shred' themselves and create a lot of debris. Either way the 8 speed is not doing so hot. GM is working on it a permanent fix, but no absolute fix yet.

I can't say enough good things about my dealer though. They told me if it can't be fixed, or it comes back from GM I 'have to live with the clunk' that they will help with either trade assistance or buy it back. I really hope they can figure out a fix. It's a damn nice truck.

To those of you having any kind of doubt, bring it in to the dealer and at least have them document it. I live an hour away from the dealer, so I know how much of a pain it is going to the dealer. These trucks cost too much to settle for these transmission issues.

On March 24, 2016

[In response to the question "Are people with 2016 models and the 8 speed transmission having the same issues?"] Not sure if the 2016 8 Speeds are quite as bad. The tech told me the transmissions currently being put into the trucks have an updated torque converter. That was one problem. My tech was very friendly and did say they have had a 'slew' of problems with the 8 Speed.

HERE IS ANOTHER UPDATE:

I picked the truck up last night after a 24hr turn around from my dealership. They took the truck for a four hour drive as they called it

and did the relearn adapt while driving around. They had one guy drive, and another with the computer monitoring the transmission.

The drive home seemed to be much smoother. I will let you all know how it goes. I have spoken with the service manager, my sales man, and the manager of my dealer and if this doesn't meet my satisfaction they have agreed to buy it back. I have been ultra patient with this whole thing, and they have been more than willing to help me this. At least there are some dealers out there that care about the customer. Believe me, I have had my fair share of different dealerships treat you like crap.

I hope this fixes it because I do enjoy driving this truck around.

On April 12, 2016

Alright everybody. Here is the verdict.

I have an appointment tomorrow morning to bring the truck back to my dealer. The 'reprogram' did not help at all. They told me to drive 500 miles after the program to help it 'learn' further. I drove it 1000 and it still does the same clunks. All low speed clunks. I know exactly when it will clunk now, so riding with my dealer should show them my issues.

At this point I am planning on getting rid of the truck. I tried multiple times to have GM fix this damn 8 speed/clunk fiasco and they have failed so far. Really disappointing as this was my first new truck.

I know I am not the only one with this issue, and I know not every truck built has this issue. I wish all of you luck with your trucks moving forward.

(a) A consumer responded on this thread on March 14, 2016:

I'm having problems with my 8 speed as well. Tranny doesn't engage well especially going from park to reverse and if you give it gas before it's ready, it will hammer into reverse and jerk the whole truck violently. Makes you look like an idiot driver when it happens.

Truck just lurches backwards. Also clunks when stopping or starting from stop. Also clanks between most shifts. This tranny was definitely not ready for pTransmissione time. If it had done this when I test drove it.. I would not have bought the truck.

(b) Another consumer responded on April 16, 2016 and April 20, 2016:

Well I'm another victim of GM's great 8sp. trans. Actually mine wasn't really giving me too much trouble until I took it in for the TCS update and my truck went crazy. I think they corrupted my computer. Drivers assist back up and all went bad. My RPM's were jumping 1500 to 2000 rpms at 45 mph with the cruise. Not 5 miles down the road it shuttered so bad it jerked the steering wheel out of my hand.

Now my truck has been in the shop all week with no reply except they tried to blame it on me for putting Denali 22in transmissions on the truck. Said it would change the dynamics of the transmission. Needless to say my words weren't that great. Its a 4 wheel drive what the hell has happened. Wanted to know if I had a programmer for changing the tire size. I know what they are trying too pull on me, and told them so. They are really reaching for any excuse.

I could be another lemon victim. Really sucks I love the truck. I have a 30ft off shore racing boat and the 6.2 pulls it with ease.

I know now my truck will never be the same. I'm getting too old for this crap.

Also heard the Dodge 8sp was having issues also. An older gentleman I work with told me they are cramming too many gears in a small case and it won't work. Kinda makes since. I will keep updates if or when I get my \$60,000 rolling turd back.

. . .

Lets face it all lie's and deception. My dealer is trying everything in the book to blame me. Its really pathetic they would stoop so low for GM.

They still have my truck, this is week 2. So lets think about that, truly how long does it take to program the computer. That just

tells me that there is NOT a cure for our transmissions. It's going to take us the consumer to stand up for our rights and make GM figure something out. I smell a recall but the only one's suffering is us. Who knows how long it will take. Folks don't settle push it to the end, they expect us to give up and walk away. Lets face it the easy solution is to trade it in on something else but that's not the cure. I will ride my dealers ass till something is done. I don't give up.

I have no clue when I'm getting my truck back, but I told the service manager I want my truck shifting like it was right off the lot, that's what I paid for not a test machine. I'm 6' 6" and they gave me a regular cab with no gas at all. I'm so glad their on my side. The 2016 truck I'm driving around in shutters, not sure the tranny size but its a v6. So that tells me there's no fix in sight. My dealer says its a software problem and not the trans. Humm!!!!!!

I will let everyone know what happens if I ever get my truck back.

(c) Another consumer responded on May 13, 2016:

I'm taking my truck in for the second time with 8 speed transmission issues. I took it in about 2 weeks ago and the performed all of the TSB updates for the programming and it shifted worse than ever. Clunking on upshifts like it was a 1980 Camaro with a stage 25,839,874,329,876,443 shift kit.

The last straw which made me call in for a second service appointment was me starting from a stop on a 3% decline at less than 5mph it felt like I was rear ended hard. I looked back behind me and there was no car. I'm guessing there was no pre-load on the pinion gear and it was between shifts when I started to roll forward and then locked up with some backlash. This is strike #2. If I get it back next Tuesday and I have one more tranny fart, I'm going to be looking to do the same as the OP.

(d) Another consumer responded on November 2, 2016:

2016 gmc sierra 6.2 8 speed. I too am big gm fan. Have had many. This truck with the exception to the power of 6.2 is a p.o.s ... transmission is garbage. Engine is very noisy and idles like it wants to

stall. Rides like a hosre. All for almost 60 grand. I'm sure it's not all of them but too many where there is a big problem here. On my second converter. Many relearns. I too would rather drive my old car than this new one. Headed for lemon law. Gm has had their shot.

(e) Another consumer responded on July 25, 2017:

OK truck has been at dealership (not from where truck was purchased) for about a week now because of steering wheel vibration and clunky transmission and also when left over night you start up in the morning it takes a few seconds for the reverse to grab. The dealership allowed me to drive a brand spanking new Tahoe Platinum so guess I cant complain. So the first time me and service personal talked he said the Torque Converter would be replaced and that GM wanted them to empty out the transmission fluid and refill with different type. I will let him know about the 16-NA-014 Bulletin. I am sure he knows about it. Since I'm not going to mention the dealership at this point the technician told me they were have alot of issues with the 8 speeds. I love my truck and the power of the 6.2.

(f) Another consumer responded on September 1, 2017:

I just had my torque converter replaced for shutter for the 2nd time. Both time they lasted roughly 16k miles. Does anyone have high miles on their 8sp as i am very concerned about long term reliability. I see now why they decreased the powertrain warranty.

(g) Another consumer responded on October 20, 2016:

My 2017 GMC sierra 1500 6.2/8 speed with 4k miles just had TSB done on relearn of C3 return spring, i took it in because of the clunky noise on downshifts when coming to a stop. At first i thought it was fixed only to discover it wasn't, still clunky. It seems to downshift normally half the time and clunky the other half UNDER THE SAME EXACT DRIVING CONDITIONS. Also took in for rough idle, they adjusted the motor mounts then replaced them, no fix either, giving the truck some more time then I'm trading it in and never buying a GM truck again, what a damn joke this is for the amount i paid for this truck. Also forgot to mention they had my truck 14 days, i got lucky and they gave me a little Buick car for loaner, talked with others who

had to endure longer times without getting a loaner. i hope eventually a class action lawsuit against GM is created for this transmission mess and the way they are handling it.

348. Another thread on gmtrucks.com titled "2017 Canyon 8 Speed Absolutely Horrible" began with a post by a consumer named Ron on June 27, 2018 at https://www.gm-trucks.com/forums/topic/213033-2017-canyon-8-speed-absolutely-horrible (last accessed May 7, 2019).

It shifts way to quick into high gears, press on the gas its like you have a standard trans and forgot to down shift, its starts doing the chug a lug.

Press a little more and you get the dreaded torque convertor shudder. Press a little more on throttle and it drops 3 or 4 gears and is screaming!

Then there is the slow reverse engagement in the morning after it sits over night. And the next reverse engagement is so hard it shakes the whole drivetrain! I bought a new truck so I wouldn't have any issues. I dread going to the dealer for transmission issues at 7 thousand miles. I would trade it but ill loose thousands. I am really amazed GM would let this transmission out the door with all these problems. There are a few bulletins out with the issues I have. Anyone have any fixes done that solved the problem? One of the bulletins involves a transmission flush with mobil 1 trans fluid, im not buying that. The shudder is slowly getting worse, has to be wrecking the torque convertor clutch!

(a) A consumer responded on this thread on June 27, 2018:

Welcome to the 8 speed world. It's the land of confusion for sure. No one knows how to fix them and if you're lucky enough to get one issue fixed another pops up.

When it works right it's a great transmission...or so I hear.

(b) Another consumer responded on June 27, 2018:

No one can fix it because it is a pisspoor design that should never have been released to the public in the condition it was. Rushed out to keep up with other 8 speeds out there already. I am the guy who gets to try and fix the unfixable. I am the transmission guy at a GMC Buick dealer and I can tell you from experience in dealing with this piece of shit since 2014- cut your losses and get rid of it now. You will never be happy with it. Fast adapts, calibration update after update, valve body replacements and the triple flush on Canyon and Colorado and the one time flush on everything else. Band aid at best. Hopefully the ten speeds will be better. Haven't had one complaint yet and they have been out for a while now and the eight speeds were bad from day one.

(c) Another consumer responded on July 19, 2018:

Gary, lots of the same issues in the forum with the 8 spd. My 'shudder' issues started around 8 thousand miles and got worse up until they found the technical service bulletin detailing the trans flush. The flush fixes the shudder, temporarily. My shudder is back with a vengeance at 23K miles. Taking it in again for an oil change and the transmission issue will be brought up again. It's under warranty... yeah... but like you, I think there is probably some long term damage being done to the transmission and torque converter. I'll address that in my next visit with the service manager. All the other issues you listed with the transmisison... lazy gear changes, quick to find the top gear, slow to downshift when you need power are all characteristics of a transmission built to get high mileage at the expense of performance. All cars and trucks are going that way I think. That's the world we live in. You're on the right track knowing about the TSB on the trans flush. Let us know how your service visit turns out. Good luck.

(d) Another consumer responded on March 12, 2019:

It is well known, and even acknowledged by GM, that the problems with this transmission cannot be fixed. Therefore, as soon as possible and with as few miles on the vehicle as possible, take it back to a dealer and request the defect be repaired. Do this several times, keeping all records of when, where, action taken (even if none), any advice or comments made by dealer persons, and if possible, record

everything on video with sound. Remember it's not the dealers fault you bought a vehicle with a problem that cannot be fixed by any means, but the dealer is the one that's stuck with trying to fix it. Obtain all the information you can find on this problem, and even similar problems in other models (because the same transmission is used in multiple other vehicles), obtain all applicable GM TCB's (such as TCB 18-NA-177 and TCB 18-NA-355) that have any bearing on the problem, and then after a "reasonable number" of repair attempts apply for Arbitration according to the requirements applicable in your state. In Arbitration, which is free to the vehicle purchaser, present all evidence regarding nature of the problem, past history and the manufacturers inability to correct these serious defects, evidence that the issue exists in the vehicle you purchased, and the history of repeated attempts by dealer(s) to fix the problem but that the problem still exists. When is all is said and done, you may be given a refund of the vehicle purchase price, a replacement vehicle having the same configuration and options, a decision to return to a dealer for further repair attempts, or no other action or remedy. In the case of the 8L45 / 8L90 transmission issues, arbitration in many states has already ordered refunds and replacement vehicles, as the problems with this model transmission have been around for so long and are so well documented. In any event, Good Luck.

349. In yet another thread on gmtrucks.com, a consumer explained his issues with the Transmission Defect on May 10, 2018 at https://www.gmtrucks.com/forums/topic/211930-8190-can-it-ever-be-fixed/ (last accessed May 7, 2019) as follows:

I have a 2015 6.2 with the 8 speed with 58k miles I have had a new transmission put in then a stator shaft recall done then a new torque converter and now once again the shutter is coming back seams like they just throw parts at it until the warranty runs out. Also wen the engine is in V4 mode around 40 mph the valves sound like there about to come apart but no problems yet with that. Has anyone had this much trouble and any luck with a fix I read on another form that they went to a mobile 1 fluid and it helped a lot. I wonder what a new converter and flush is going to cost me after the warranty runs out?

g. <u>Complaints on cadillacforums.com</u>

350. Another set of consumers of the Cadillac-brand vehicles discussed their issues in a thread titled "GM's 8L45 Cadillac Automatic Transmission" on cadillacforums.com. (https://www.cadillacforums.com/forums/cadillac-forum/t-974121.html (last accessed May 7, 2019).) One consumer began the thread on June 19, 2017 as follows:

GM's 8L45 Eight-Speed Cadillac CT6 Automatic Transmission: Recall, Replace, Re-tune or Deny

GM's 8L45 Eight Automatic Transmission is a clunker. GM's customer assistance center acknowledges that the reviews are 'mixed' and one service bulletin has been issued. The 'mixed' aspect of the feedback shows that this 8L45 works normally for a while for some owners. Internet forums are heating up with discussions about otherwise fine cars cursed with this crude, confused and embarrassingly bad 8 speed lemon.

General Motors has managed to take its customers back several decades to an unpleasant time in the early development of the automatic transmission. The GM 8L45 Hydramatic Transmission is part of the powertrain in the Cadillac CT6, CTS, ATS, Chevrolet Camaro and perhaps more vehicles under a different name. This questionable feat of backwards design and engineering was accomplished with variable force solenoid technology, speed sensors and a processor executing hundreds of calculations and commands every 6.25 milliseconds. Clearly, this is not often enough, as evidenced by the ride experience inflicted on the driver and passengers when the thing desperately hunts for the proper gear and any gear will do ... to lurch forward. With all that technology it performs far worse than the bands and torque converters of that our grandparents enjoyed in the 1960's and later. In 2016, General Motors was simply not ready to evolve past the 6 speed transmission but that didn't stop it from going ahead and cursing entire fleets of its new vehicles with the crudest powertrain component in its history. And yes indeed, it weighs over 30 lbs. less than its predecessor (one that actually works, though evidently grossly overweight). Perhaps the

elusive 2nd, 3rd and 4th gears each weigh 10 lbs., accounting for both the weight loss and crude performance.

The 8L45 is a mess. Its crude state of performance sometimes rears its ugly head on a new GM vehicle on its way home from the dealership, or lurks deep inside its innards for a later outbreak of hard shifts, flares, thunks, and head jerking downshifts at random times in the early lives of the fleet. GM's confidence with this clunker drove it to install it in the Cadillac CT6, CTS and ATS models. Dealerships are forced to appease customers with such phrases as 'performs as designed' and 'performed adaptive fast learn' as a way to force owners to get used to it. The other line of defense is that the transmission is learning and adapting to the driver's style. Enduring the explanations and excuses of GM service technicians and service managers can be tiring. Confidentially, they'll admit that the thing is a disaster.

Other than a single service bulletin, GM is ignoring this failure as of Spring 2017. To admit there's a problem would be a devastating blow to the marketability of its current unsold inventory. There is also a lot of ego at stake here. GM promoted the 8L45 in its literature in a series of puffed up articles with statements like this:

"The 8L45 was designed to enhance the CT6's driving experience, offering a strong balance between performance and efficiency," said Bill Goodrich, GM's assistant chief engineer for eight-speed automatic transmissions "Perhaps its best attribute will be that customers really won't notice it – they'll simply enjoy the CT6's seamless, smooth driving experience and on-demand performance."

Read more: http://gmauthority.com/blog/2015/03/new-8l45-eight-speed-automatic-to-debut-in-2016-ct6/#ixzz4k4cZAecM

The owner of a vehicle cursed with this clunker will know there's a problem when passengers ask why the brakes are being pumped when coasting to a stop. That's the 8L45's attempt at downshifting. When the driver gingerly feathers the accelerator to coax the thing into gear after an auto-stop shutdown it may skip several gears and slam into 4th or 5th with a violent shutter. The driver and passengers all feel it as the entire vehicle shutters. At times it may seem like the driveshaft is going to come up through the

cupholder and cellphone battery charger. Its performance is indefensible. If it's shifting like an average GM vehicle and it hasn't yet slipped into this confused state, it soon will. No amount of learning, adaptive fast learns or software tunes can apparently help it find the right gears, other than reverse or park, which, luckily seem to work. Dealer lots are filling up with unsold inventory and returned vehicles, many with less than 2000 troubled miles on the odometer. Apparently, frustrated owners were not able to adapt and learn along with the car's stuttering, clunking, and confused transmission.

So, what is the future of the 8L45? Maybe a software tune can bring it under control. If this is not possible, and clearly, GM is in no hurry to resolve this issue, the fate of the 8L45 has these possible futures:

- 1. It will quietly disappear in 2018, leaving the current fleet in an abyss of wildly unpopular clunkers. The CT6 is becoming known as the shimmying, stuttering, lurching flagship that looks nice.
- 2. It can finally break in at 40,000 miles or so and can then find the correct gears at appropriate times after a few years of learning and adapting.
- 3. Third party after-market companies will offer a way to replace and retrofit it with a nicely functioning transmission, like the 6L45, thus salvaging the resale value of the CT6 and others.

Corporate denial doesn't help the brand. Blaming the customer for expecting better shifting insults the brand loyalists. It's clear that the 8L45 was rushed into production without quality engineering and design. Hopefully, GM and its Cadillac division can conjure up a solution that can make its attractive CT6 flagship drive as nicely as it looks parked.

(a) A consumer responded on this thread on June 21, 2017:

The 8L90 is not any better. My 8L90 in my CT6 with turbo 3.0 is terrible. Worst transmission I have ever had. The 1-2 shift is hard. It also depends on outside temperature whether it acts up to a greater extent. I think the 8L90 could use better fluid or better pressure sensors. . . .

(b) The original poster added to this thread on June 25, 2017:

To be clear, my article is not about those barely perceptible quivers and shift sequences experienced with most of the 8 speed transmissions in the market. What I am addressing are the violent shifts, head lurching downshifts and abysmal performance of GM's 8L45 transmission that is the curse of the Cadillac CT6.

The perspective formed, as presented in my post is based on two 8L45's, one exhibiting all of its faults on the day of delivery and the second one performing relatively normally until mile number 2435, when all hell broke loose. Again, this pertains to the 8L45 in two Cadillac CT6's that I have owned. Additionally, an internet search of other GM discussion forums brings up similar complaints wherever the same transmission is part of the powertrain. Following through with Cadillac customer support and GM corporate discussions it's clear that the customer base is not universally pleased with this crude transmission. As one would expect, the people in these two GM areas are very polite, helpful and proactive and admit there are concerns. It's not about customers who not quite ready for fuel saving technology that needs to shift constantly. My issue with GM is its slowness in dealing with the CT6's problems and the pompous presale promotion of a transmission that 'makes the driver unaware that it's shifting.' Believe me, when your CT6 issues loud thunks, can barely get through a busy intersection after an auto start/stop lurch as it searches for a gear, you'll want to get rid of the thing. The CT6, with its eye-catching edgy design, can be an extremely unpleasant car to drive when its transmission can't shift correctly, in a violent fashion.

The notion that these things are highly sophisticated and require a long break-in period is silly. Some arrive from the factory in a confused state while others don't lapse into their failure mode until much later. And again, it's not about those common 8 speed transmissions' slight quivers and shakes. Apparently 8, 9 and 10 speed transmission technology is driven by fuel economy and acceptable performance from a piddly little 4 or 6 cylinder engine. I realize that the current fleet of Cadillacs are budget luxury cars and expectations have to be adjusted to these price points, but can you imagine telling this to customers in the real luxury car market? 'Get used to it! or

You're not driving it right', 'Performs as designed' or 'You're expecting too much' and other arguments would not set well with affluent owners. . . .

(c) Another consumer responded on June 27, 2017:

My 2016 CTS now has 20K miles on it, and the transmission is totally unpredictable. At times, especially first thing in the morning, the car drives great - quick smooth shifts and excellent acceleration. However, after the car sits for a few hours, most of the time the transmission is terrible. Harsh shifts and a bogged down feeling like the car is in too high of a gear. Give it some gas, and it lurches forward to the point that the car is hard to control. Usually I will then put the car in manual mode and use the shift paddles, and this helps a bit. I recently drove 2 Malibus with the 2.0L turbo and 9 speed transmission, and these cars drove MUCH better than the CTS (with a sticker price of \$20K less). I will never buy a GM vehicle with the 8 speed again...

(d) The original poster added on October 15, 2017:

So at this time there has not been a complete resolution to this problem?

Well, GM is still in the 'Deny' stage. There's no word on any recalls, unit re-design, or retuning. This poorly designed cheap piece of crap called a transmission is providing headaches for service departments and owners. I've been told that service departments are giving up on the 'performs as designed' excuse, along with the 'relearning shift adapts' attempts and complete fluid changes. The current solution is a complete transmission replacement, which is an extensive gut of these relatively new vehicles. It's a \$4,300 (dealer cost) warranty claim. The problem is that when the trauma is complete, this otherwise nice vehicle is cursed with another 8L45 transmission. I have now owned three (yes, 3) of these transmissions over the past 10 months and the most recent replacement is shifting the best it can. Transmissions #1 and #2 failed at 1480 and 2500 miles respectively, with harsh flares, clunky 1-2 upshifts and NO gear after coasting through turns and intersections. When in that state, it's an unsafe vehicle....

(e) Another consumer responded on April 1, 2018 and July 4, 2018:

Today the shift was so hard I actually thought I had been rear ended. This is the first time that I have ever experience the shift being this hard and yes it was so rough that it jerked my body. Cadillac really needs to address this issue in the 8L45 8 Speed before they venture off into a 10 Speed as my guess is at this rate it will be no better.

. . .

[W]hat may come back to haunt GM/Cadillac is how this transmission was promoted and advertised. There are also Cadillac models that cost less than the CT6 whose transmission to not exhibit this sometimes harsh shift issue. The last word I received from the Cadillac Customer service rep is that Cadillac Quality Brand is pursuing this issue and something still may yet get done. My advice to all who are reporting this issue is to keep the pressure on and do not back off. IMO Cadillac/GM needs to find a permanent fix, replace with a better transmission or consider financial compensation, to do other wise IMO is not acceptable

- 5. Well-Publicized Criticism of the Transmission Defect in Trade Publications Demonstrate GM's Knowledge of the Defect.
- 351. GM was also made aware of the Transmission Defect through criticisms of automotive journalists, who identified the problems described above in online trade publications. In an article on gmauthority.com describing updates to its 2019 transmission, the publication emphasizes:

In prior-generation, K2 platform Silverado and Sierra, the GM 8-speed was often criticized for its jerky and unexpected shifting behavior that ultimately worsened the satisfaction of driving and/or riding in the pickup. Whether the improvements made to the 8-speed gearbox in the all-new T1 platform 2019 Sierra and Silverado will address these issues is unknown.(See Alex Luft, "GM 8-Speed Automatic Enhanced For 2019 Silverado, Sierra" dated July 18, 2018, available at http://gmauthority.com/blog/2018/07/gm-8-speed-

automatic-enhanced-for-2019-silverado-sierra/ (last accessed May 7, 2019).)

352. And a January 11, 2018 article on the trutheaboutcars.com described the ongoing problems associated with the Transmission Defect, reporting:

The 1-2 shift sounds and feels like it's going to rip the diff out of the axle, which is a common complaint about the eight-speed transmission in these vehicles. The AWD mode, which lives between 2WD and 4-High and which is basically the "4WD" in the Escalade/Denali, is laughably slow to respond to spinning rear transmissions. (See Jack Baruth, "2017 Silverado LTZ Long-term Test – 10,000 Miles and Counting" dated January 11, 2018, available at https://www.thetruthaboutcars.com/2018/01/long-term-test-2017-silverado-ltz-10000-miles/ (last accessed May 7, 2019).)

353. Finally, the automotive journalists at motortrend.com highlighted the flaws GM's eight-speed transmission in comparison with its new 10-speed transmissions:

Simply put, we were unimpressed by how the Silverado's volume 5.3-liter DFM V-8 and its eight-speed automatic performed. We're disappointed to find that GM didn't fix the old 5.3's biggest flaws: its sloppy throttle response at low speeds and its transmission's over eagerness to get to its top gear. The truck feels powerful enough once it's moving, but getting there is frustrating. 'The engine has power, but it's being tag-teamed by the unholy GM duo of a lazy throttle pedal and a transmission that hates to downshift,' features editor Scott Evans said. 'Every time you want to move, you've got to get deep into the throttle before anything useful happens. The shifts aren't as smooth as the 10-speed automatic, either, so you notice every time it's forced to drop two gears to maintain speed up a hill.'

The 6.2-liter V-8 and its 10-speed auto, which is only available as an option on the top-level Silverado LTZ and Silverado High Country, improves things immensely. The big V-8 has plenty of power on tap, and it sounds especially great when you bury your foot into the throttle. The 10-speed automatic is worlds better than the eight-speed, too. It feels modern and well sorted—basically the polar

opposite of the eight-speed automatic. Its shifts are seamless and nearly unnoticeable, and it doesn't display the hunting behavior of the other transmission, either. (See Christian Seabaugh, "2019 CHEVROLET SILVERADO FIRST TEST: PENCILS DOWN" dated September 14, 2018 available at https://www.motortrend.com/cars/chevrolet/silverado-1500/2019/2019-chevrolet-silverado-first-test-review/ (last accessed May 7, 2019).)

354. These well-publicized criticisms disclosing the Transmission Defect, in addition to GM's own documents and hundreds of consumer complaints, show GM's awareness of the Transmission Defect.

C. Plaintiffs' Experiences

1. Charles Aiken

- 355. Plaintiff Charles Aiken purchased a new 2019 Chevrolet Silverado from New Valley Chevrolet in Wilkes Barre, Pennsylvania. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 356. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 357. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 358. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 359. Plaintiff relied on the materials he reviewed before making his purchase.
- 360. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.

- 361. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem on or about January 11, 2019 and in March of 2019. At that time, Plaintiff had, respectively, only 545 and approximately 1,000 to 1,600 miles on the vehicle.
- 362. Despite these attempted repairs, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 363. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

2. Neil Ambrosio

- 364. Plaintiff, Neil Ambrosio, leased a new 2017 GMC Sierra from Sheehan Buick GMC in Lighthouse Point, Florida. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 365. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 366. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 367. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 368. Plaintiff relied on the materials he reviewed before making his purchase.
- 369. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also

raises a safety concern.

- 370. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem in or about November 26, 2018. At that time, Plaintiff had only 25,525 miles on the vehicle.
- 371. Despite three (3) attempted repairs, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 372. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

3. Michael Banks

- 373. Plaintiff Michael Banks purchased a new 2017 GMC Sierra Denali from Holloway Buick GMC in Portsmouth, New Hampshire. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 374. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 375. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 376. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 377. Plaintiff relied on the materials he reviewed before making his purchase.
- 378. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also

raises a safety concern.

- 379. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem on or about April 4, 2018 and October 18, 2018. At that time, Plaintiff had, respectively, only 15,945 and 20,507 miles on the vehicle.
- 380. Despite these attempted repairs, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 381. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

4. Maria Barallardos

- 382. Plaintiff Maria Barallardos purchased a used 2015 Cadillac Escalade ESV from Coulter Cadillac in Phoenix, Arizona. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 383. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 384. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 385. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 386. Plaintiff relied on the materials she reviewed before making her purchase.
- 387. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating.

This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.

- 388. Plaintiff provided notice to GM about the Transmission Defect when she informed the dealership about the transmission problem on or about August 24, 2017, September 27, 2018, and December 13, 2018. At that time, Plaintiff had, respectively, only 63,435, 79,403, and 82,159 miles on the vehicle.
- 389. Despite these attempted repairs, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 390. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price she paid for it.

5. Steven Brack

- 391. Plaintiff, Steven Brack, purchased a new 2018 Chevrolet Silverado from Parks Chevrolet in Charlotte, North Carolina. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 392. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 393. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 394. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 395. Plaintiff relied on the materials he reviewed before making his purchase.
 - 396. Shortly after purchase, Plaintiff's transmission was shuddering, jerking,

and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.

- 397. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem in or about March 22, 2019. At that time, Plaintiff had only 12,840 miles on the vehicle.
- 398. Despite four (4) attempted repairs at two (2) different GM dealerships, GM's authorized dealerships have failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 399. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

6. James Paul Browne

- 400. Plaintiff, James Paul Browne, purchased a Used 2017 GMC Sierra from Central Buick GMC in Jonesboro, AR on or about November 5, 2018. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 401. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 402. At all times, Plaintiff, has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 403. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 404. Plaintiff relied on the materials he reviewed before making his purchase.
 - 405. Shortly after purchase, Plaintiff's transmission was shuddering, jerking,

and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.

- 406. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem on or about December 21, 2018. At that time, Plaintiff had only 34,219 miles on the vehicle.
- 407. Despite two (2) attempted repairs, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 408. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

7. Clyde Cheng

- 409. Plaintiff, Clyde Cheng, purchased a new 2016 GMC Sierra from Pearson Buick GMC in Sunnyvale, California. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 410. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 411. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 412. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 413. Plaintiff relied on the materials he reviewed before making his purchase.
 - 414. Shortly after purchase, Plaintiff's transmission was shuddering, jerking,

and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.

- 415. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem on or about January 6, 2016. At that time, Plaintiff had only 813 miles on the vehicle.
- 416. Despite five (5) attempted repairs, GM's authorized dealerships have failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 417. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

8. Guy Clark

- 418. Plaintiff, Guy Clark, purchased a new 2017 GMC Sierra from Robert Brogden Buick GMC in Olathe, Kansans. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 419. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 420. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 421. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 422. Plaintiff relied on the materials he reviewed before making his purchase.
 - 423. Shortly after purchase, Plaintiff's transmission was shuddering, jerking,

and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.

- 424. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem on or about September 11, 2017. At that time, Plaintiff had only 10,001 miles on the vehicle.
- 425. Despite approximately four (4) attempted repairs, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 426. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

9. Troy and Kimberly Coulson

- 427. Plaintiffs Troy and Kimberly Coulson purchased a new 2017 GMC Sierra 1500 from Luther Brookdale Chevrolet Buick GMC in Brooklyn Center, Minnesota on or around June 16, 2017. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 428. Plaintiffs Troy and Kimberly Coulson purchased the vehicle primarily for personal, family, or household use.
- 429. At all times, the Coulsons have driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 430. At the time of the purchase, the Coulsons had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 431. The Coulsons relied on the materials they reviewed before making their purchase.

- 432. Shortly after purchase, the Coulsons' transmission would drop a gear unexpectedly and lurch when the vehicle was moving slowly. The transmission would also clunk and downshift hard. This Transmission Defect reduces the Coulsons' satisfaction with the vehicle and also raises a safety concern.
- 433. The Coulsons provided notice to GM about the Transmission Defect when they informed Luther Brookdale Chevrolet Buick GMC about the transmission problem and presented their vehicle for repair on or about October 23, 2017, June 14, 2018, and April 11, 2019. At those times, the Coulsons had only 5,678, 14,909, and 27,194 miles on the vehicle, respectively.
- 434. Despite this attempted repair on two occasions, GM's authorized dealership has failed to adequately repair the Coulsons' vehicle, and it continues to exhibit a Transmission Defect.
- 435. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, the Coulsons would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

10. Nicolette Covey

- 436. Plaintiff, Nicolette Covey, purchased a new 2015 Cadillac Escalade from McCurley Integrity Chevrolet Cadillac in Pasco, Washington. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 437. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 438. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 439. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.

- 440. Plaintiff relied on the materials she reviewed before making her purchase.
- 441. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 442. Plaintiff provided notice to GM about the Transmission Defect when she informed the dealership about the transmission problem in or about July 25, 2016. At that time, Plaintiff had only 17,293 miles on the vehicle.
- 443. Despite approximately five (5) attempted repairs, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 444. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price she paid for it.

11. Darrin Degrand

- 445. Plaintiff, Darrin Degrand, purchased a new 2018 GMC Canyon from James Wood Chevrolet in Denton, Texas. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 446. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 447. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 448. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.

- 449. Plaintiff relied on the materials he reviewed before making his purchase.
- 450. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 451. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem in or about October 2018. At that time, Plaintiff had only approximately 5,000 miles on the vehicle.
- 452. Despite approximately three (3) attempted repairs, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 453. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

12. Daniel Drain

- 454. Plaintiff Daniel Drain purchased a new 2018 GMC Sierra from Alpine Buick GMC in Denver, Colorado on or about June 29, 2018. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 455. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 456. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 457. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.

- 458. Plaintiff relied on the materials he reviewed before making his purchase.
- 459. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 460. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem on or about August 10, 2018 and August 14, 2018. At that time, Plaintiff had, respectively, only 3,395 and 3,789 miles on the vehicle.
- 461. Despite this attempted repair on two (2) occasions, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 462. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

13. Dennis Duffy

- 463. Plaintiff, Dennis Duffy, purchased a new 2016 GMC Yukon/Denali from Delray Buick GMC in Delray Beach, Florida. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 464. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 465. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
 - 466. At the time of the purchase, Plaintiff had reviewed marketing materials

- 467. Plaintiff relied on the materials he reviewed before making his purchase
- 468. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 469. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem in or about February 14, 2018. At that time, Plaintiff had only 59,645 miles on the vehicle.
- 470. Despite approximately two (2) attempted repairs, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 471. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

14. Donald Dykshorn

- 472. Plaintiff Donald Dykshorn purchased a new 2016 Chevrolet Camaro SS from Bryan Chevrolet in Kenner, Louisiana. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 473. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 474. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 475. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.

- 476. Plaintiff relied on the materials he reviewed before making his purchase.
- 477. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 478. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem on or about July 31, 2017 and March 11, 2019. At that time, Plaintiff had, respectively, only 7,263 and approximately 27,000 miles on the vehicle.
- 479. Despite these attempted repairs, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 480. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

15. Jon Ellard

- 481. Plaintiff Jon Ellard, purchased a new 2016 GMC Sierra from Bob Moore Auto Group in Oklahoma City, Oklahoma. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 482. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 483. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
 - 484. At the time of the purchase, Plaintiff had reviewed marketing materials

- 485. Plaintiff relied on the materials he reviewed before making his purchase.
- 486. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 487. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem in or about September 30, 2016. At that time, Plaintiff had only 8,594 miles on the vehicle.
- 488. Despite this attempted repair, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 489. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

16. Jimmy Flowers

- 490. Plaintiff, Jimmy Flower, purchased a new 2018 Chevrolet Colorado from Paul Thigpen Chevrolet Buick GMC in Vidalia, Georgia. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 491. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 492. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
 - 493. At the time of the purchase, Plaintiff had reviewed marketing materials

- 494. Plaintiff relied on the materials he reviewed before making his purchase.
- 495. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 496. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem in or about October 23, 2018. At that time, Plaintiff had only 5,431 miles on the vehicle.
- 497. Despite three (3) attempted repairs, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 498. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

17. Samuel Ford

- 499. Plaintiff Samuel Ford leased a 2018 Chevrolet Silverado 1500 from Andy Mohr Chevrolet in Plainfield, Indiana. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 500. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 501. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
 - 502. At the time of the purchase, Plaintiff had reviewed marketing materials

- 503. Plaintiff relied on the materials he reviewed before making his purchase.
- 504. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 505. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem on or about October 3, 2018. At that time, Plaintiff had only 5,965 miles on the vehicle.
- 506. Despite this attempted repair, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 507. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

18. Richard Francis

- 508. Plaintiff, Richard Francis, purchased a new 2017 GMC Yukon/Denali from Glenn Buege Buick GMC in Lansing, Michigan. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 509. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 510. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
 - 511. At the time of the purchase, Plaintiff had reviewed marketing materials

- 512. Plaintiff relied on the materials he reviewed before making his purchase.
- 513. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 514. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem in or about September 2017. At that time, Plaintiff had only approximately 100 miles on the vehicle.
- 515. Despite two (2) attempted repairs, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 516. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

19. Karina and William Fredo

- 517. Plaintiffs, Karina and William Fredo, purchased a used 2015 Cadillac Escalade from Faulkner Cadillac in Trevose, Pennsylvania. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 518. Plaintiffs purchased the vehicle primarily for personal, family, or household use.
- 519. At all times, Plaintiffs, have driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
 - 520. At the time of the purchase, Plaintiffs have reviewed marketing

- 521. Plaintiffs relied on the materials they reviewed before making their purchase.
- 522. Shortly after purchase, Plaintiffs' transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiffs' satisfaction with the vehicle and also raises a safety concern.
- 523. Plaintiffs provided notice to GM about the Transmission Defect when they informed the dealership about the transmission problem in or about July 24, 2018. At that time, Plaintiffs had 68,819 miles on the vehicle.
- 524. Despite attempted repairs, GM's authorized dealership has failed to adequately repair Plaintiffs' vehicle, and it continues to exhibit a Transmission Defect.
- 525. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiffs would have learned of that material information, and would not have purchased the vehicle or paid the price they paid for it.

20. Richard Freeman

- 526. Plaintiff Richard Freeman purchased a new 2017 GMC Canyon from Walker Cadillac Buick GMC (now known John Thornton Buick GMC) in Carrollton, Georgia. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 527. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 528. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
 - 529. At the time of the purchase, Plaintiff had reviewed marketing materials

- 530. Plaintiff relied on the materials he reviewed before making his purchase.
- 531. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 532. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem on or about February 13, 2018, September 17, 2018, and November 20, 2018. At that time, Plaintiff had, respectively only 3,970, 8,105 and 10,996 miles on the vehicle.
- 533. Despite this attempted repair on three (3) occasions GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 534. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

21. Charles and Lisa Marie Graff

- 535. Plaintiffs Charles and Lisa Marie Graff purchased a new 2018 Chevrolet Silverado from Dyer Chevrolet in Ft. Pierce, Florida on or about November 9, 2018. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 536. Plaintiffs Charles and Lisa Marie Graff purchased the vehicle primarily for personal, family, or household use.
- 537. At all times, the Graffs have driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.

- 538. At the time of the purchase, the Graffs had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 539. The Graffs relied on the materials they reviewed before making their purchase.
- 540. Shortly after purchase, the Graffs' transmission has experienced banging, slipping and shaking, as well as chattering and slipping when accelerating and banging and clunking when slowing. This Transmission Defect reduces the Graffs' satisfaction with the vehicle and also raises a safety concern.
- 541. The Graffs provided notice to GM about the Transmission Defect when they informed the dealership about the transmission problem and presented their 2018 Silverado for repair on or about February 11, 2019 and April 17, 2019. At those times, the Graffs had only 6,911 and 12,146 miles on the vehicle, respectively. The Graffs also called GM's customer service line directly to complain about the transmission problem in on or about late May 2019. A letter notice was also sent to GM directly on August 16, 2019.
- 542. Despite this attempted repair on two occasions, GM's authorized dealership has failed to adequately repair the Graff's vehicle, and it continues to exhibit a Transmission Defect.
- 543. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, the Graffs would have learned of that material information, and would not have purchased the vehicle or paid the price they paid for it.

22. Timothy Grafrath

544. Plaintiff Timothy Grafrath purchased a new 2017 GMC Sierra from Sullivan Buick GMC in Arlington Heights, Illinois. The vehicle was equipped with an 8L90 or 8L45 transmission.

- 545. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 546. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 547. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 548. Plaintiff relied on the materials he reviewed before making his purchase.
- 549. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 550. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem in or about January 12, 2017. At that time, Plaintiff had only 5,816 miles on the vehicle.
- 551. Despite approximately twelve (12) attempted repairs authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 552. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

23. William Grossman

553. Plaintiff William Grossman purchased a new 2016 Chevrolet Camaro from Lester Glenn Chevrolet in Toms River, New Jersey. The vehicle was equipped with an 8L90 or 8L45 transmission.

- 554. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 555. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 556. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 557. Plaintiff relied on the materials he reviewed before making his purchase.
- 558. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 559. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem in or about June 20, 2018. At that time, Plaintiff had only 20,375 miles on the vehicle.
- 560. Despite three (3) attempted repairs, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 561. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

24. Marisella Gutierrez.

562. Plaintiff Gutierrez, a resident of Marietta, Georgia, purchased a new 2017 Chevrolet Silverado from All American Chevrolet in San Angelo, Texas. The vehicle was equipped with an 8L90 or 8L45 transmission.

- 563. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 564. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 565. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 566. Plaintiff relied on the materials she reviewed before making her purchase.
- 567. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 568. Plaintiff provided notice to GM about the Transmission Defect when she informed the dealership about the transmission problem on or about March 11, 2019, May 13, 2019, and July 17, 2019. At that time, Plaintiff had, respectively, 25,377, 27,760, and 30,674, miles on the vehicle.
- 569. Despite three attempted repairs, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 570. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price she paid for it.

25. Jimmy Harman

571. Plaintiff Harman purchased a new 2017 GMC Denali from Vann York Auto Group in High Point, North Carolina. The vehicle was equipped with an 8L90

or 8L45 transmission.

- 572. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 573. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 574. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 575. Plaintiff relied on the materials he reviewed before making his purchase.
- 576. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 577. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem during his first week of ownership. At that time, Plaintiff had fewer than 500 miles on the vehicle.
- 578. Despite attempted repairs, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 579. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

26. Chi Kim Ho

580. Plaintiff Chi Kim Ho purchased a new 2016 Cadillac Escalade ESV from Joseph Cadillac of Dublin in Dublin, Ohio. The vehicle was equipped with an

8L90 or 8L45 transmission.

- 581. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 582. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 583. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 584. Plaintiff relied on the materials he reviewed before making his purchase.
- 585. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 586. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem on or about June 19, 2019. At that time, Plaintiff had only 18,433 miles on the vehicle.
- 587. Despite this attempted repair GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 588. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

27. Phil Houk

589. Plaintiff Phil Houk purchased a used 2017 Chevrolet Camaro SS from Boucher Cadillac in Waukesha, Wisconsin. The vehicle was equipped with an 8L90

or 8L45 transmission.

- 590. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 591. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 592. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 593. Plaintiff relied on the materials he reviewed before making his purchase.
- 594. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 595. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem on or about July 9, 2019. At that time, Plaintiff had only 19,882 miles on the vehicle.
- 596. Despite this attempted repair, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 597. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

28. Jay Hull

598. Plaintiff, Jay Hull, purchased a new 2017 Chevrolet Silverado 1500 from Young Chevrolet Cadillac in Owosso, Michigan. The vehicle was equipped

with an 8L90 or 8L45 transmission.

- 599. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 600. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 601. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 602. Plaintiff relied on the materials he reviewed before making his purchase.
- 603. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 604. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem in or about April 21, 2017. At that time, Plaintiff had only 5,845 miles on the vehicle.
- 605. Despite six (6) attempted repairs, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 606. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

29. Randall Jacobs

607. Plaintiff, Randall Jacobs, purchased a new 2016 Cadillac CT6 from Brogan Cadillac in Totowa, New Jersey. The vehicle was equipped with an 8L90 or

8L45 transmission.

- 608. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 609. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 610. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 611. Plaintiff relied on the materials he reviewed before making his purchase.
- 612. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 613. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem in or about November 28, 2016. At that time, Plaintiff had only 3,136 miles on the vehicle.
- 614. Despite attempted repairs, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 615. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

30. Carl Johnsen

616. Plaintiff, Carl Johnsen, purchased a new 2018 Chevrolet Silverado from Pape Chevrolet in South Portland, Maine. The vehicle was equipped with an

8L90 or 8L45 transmission.

- 617. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 618. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 619. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 620. Plaintiff relied on the materials he reviewed before making his purchase.
- 621. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 622. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem in or about December 2018. At that time, Plaintiff had only 450 miles on the vehicle. Plaintiff was advised on that date that he had to make an appointment for his vehicle to be inspected, and said appointment took place on January 14, 2019 at 1,064 miles.
- 623. Despite two (2) attempted repair, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 624. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

31. Colton Kelly

- 625. Plaintiff Colton Kelly purchased a new 2017 Chevrolet Silverado 1500 from Denny Menholt Rapid Chevrolet in Rapid City, South Dakota. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 626. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 627. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 628. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 629. Plaintiff relied on the materials he reviewed before making his purchase.
- 630. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 631. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem on or about March 13, 2018, August 14, 2018, and February 11, 2019. At that time, Plaintiff had, respectively, only 4,341, 9,525, 13,732, and 15,013 miles on the vehicle.
- 632. Despite this attempted repair on four (4) occasions, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 633. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or

paid the price he paid for it.

32. Mark Kidd

- 634. Plaintiff Kidd purchased a used 2016 GMC Sierra from Rusty Wallace Cadillac, GMC and Kia in Morristown, Tennessee. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 635. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 636. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 637. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 638. Plaintiff relied on the materials he reviewed before making his purchase.
- 639. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 640. Plaintiff has not provided notice to GM or taken the vehicle to an authorized dealership as he lives over an hour from the nearest dealership
- 641. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

33. Taurus King

642. Plaintiff King purchased a new 2019 Chevrolet Silverado from

Freedom Chevrolet Buick GMC by Ed Morse in Dallas, Texas. The vehicle was equipped with an 8L90 or 8L45 transmission.

- 643. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 644. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 645. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 646. Plaintiff relied on the materials he reviewed before making his purchase.
- 647. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 648. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem on or about September 5, 2019—three days after purchasing the new truck.
- 649. Plaintiff's brand new truck is still being serviced by GM's authorized dealership as of the time of the filing of this complaint.

GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

34. Christopher Krull

650. Plaintiff Christopher Krull purchased a new 2016 Cadillac CT6 from Elco Cadillac in Ballwin, Missouri. The vehicle was equipped with an 8L90 or 8L45

transmission.

- 651. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 652. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 653. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 654. Plaintiff relied on the materials he reviewed before making his purchase.
- 655. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 656. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem on or about December 7, 2017, December 18, 2017, February 12, 2019, and May 7, 2019. At those times, Plaintiff had, respectively, 14,829, 28,196, 29,865, and 31,696 miles on the vehicle.
- 657. Despite these attempted repairs, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 658. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

35. Charles Larsen

659. Plaintiff, Charles Larsen, purchased a new 2015 GMC Sierra from

Romeo Chevrolet Buick GMC in Kingston, New York. The vehicle was equipped with an 8L90 or 8L45 transmission.

- 660. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 661. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 662. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 663. Plaintiff relied on the materials he reviewed before making his purchase.
- 664. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 665. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem in or about September 11, 2015. At that time, Plaintiff had only 4,481 miles on the vehicle.
- 666. Despite three (3) attempted repairs, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 667. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

36. Brian Lloyd

668. Plaintiff Brian Lloyd purchased a new 2016 Chevrolet Camaro from

Chevrolet of Boaz in Boaz, Alabama. The vehicle was equipped with an 8L90 or 8L45 transmission.

- 669. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 670. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 671. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 672. Plaintiff relied on the materials he reviewed before making his purchase.
- 673. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 674. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem on or about June 5, 2017. At that time, Plaintiff had only 10,292 miles on the vehicle.
- 675. Despite three (3)) attempted repairs, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 676. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

37. Marc Mazza

677. Plaintiff Marc Mazza purchased a new 2017 GMC Sierra from King

O'Rourke Cadillac Buick GMC in Smithtown, New York. The vehicle was equipped with an 8L90 or 8L45 transmission.

- 678. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 679. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 680. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 681. Plaintiff relied on the materials he reviewed before making his purchase.
- 682. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 683. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem in or about October 25, 2017. At that time, Plaintiff had only 5,107 miles on the vehicle.
- 684. Despite four (4) attempted repairs, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 685. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

38. Andre McQuade

686. Plaintiff Andre McQuade purchased a certified pre-owned 2017

Cadillac CTS from Bob Johnson Chevrolet Cadillac Buick GMC in Rochester, New York on or around May 4, 2018. The vehicle was equipped with an 8L90 or 8L45 transmission.

- 687. Plaintiff McQuade purchased the vehicle primarily for personal, family, or household use.
- 688. At all times, Plaintiff McQuade has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 689. At the time of the purchase, Plaintiff McQuade had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 690. Plaintiff McQuade relied on the materials he reviewed before making his purchase.
- 691. Shortly after purchase, Plaintiff McQuade's transmission made lumbering sounds when driving at highway speeds, lurched when accelerating from a slow speed, and experienced shuddering and high-pitched whining. The vehicle has also gone into manual mode spontaneously when he accelerated quickly from a stop and refused to downshift when pulling into his driveway. This Transmission Defect reduces Plaintiff McQuade's satisfaction with the vehicle and also raises a safety concern.
- 692. Plaintiff McQuade provided notice to GM about the Transmission Defect when he informed Randall Buick GMC Cadillac in Canandaigua, New York about the transmission problem and presented his vehicle for repair on or about October 17, 2018 and June 24, 2019. At that time, Plaintiff McQuade had only 30,732 and 36,230 miles on the vehicle, respectively. Plaintiff McQuade also called Bob Johnson Chevrolet to complain in or around October 17, 2018.
- 693. Despite this attempted repair on two occasions, GM's authorized dealership has failed to adequately repair Plaintiff McQuade's vehicle, and it continues to exhibit a Transmission Defect.

694. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff McQuade would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

39. Rhianna Meyers

- 695. Plaintiff Rhianna Meyers purchased a New 2017 Chevrolet Camaro from Castriota Chevrolet in Hudson, FL. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 696. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 697. At all times, Plaintiff, has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 698. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 699. Plaintiff relied on the materials she reviewed before making his purchase.
- 700. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 701. Plaintiff provided notice to GM about the Transmission Defect when she informed the dealership about the transmission problem on or about October 31, 2017. At that time, Plaintiff had only 14,171 miles on the vehicle.
- 702. Despite five (5) attempted repairs, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.

703. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

40. Richard Noonan

- 704. Plaintiff, Richard Noonan, purchased a certified pre-owned 2015 Cadillac Escalade from Elco Chevrolet in Ballwin, MO. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 705. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 706. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 707. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 708. Plaintiff relied on the materials he reviewed before making his purchase.
- 709. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 710. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem in or about February 23, 2018. At that time, Plaintiff had only 35,511 miles on the vehicle.
- 711. Despite three (3) attempted repairs, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.

712. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

41. James Norvell

- 713. Plaintiff Norvell purchased a new 2018 Chevrolet Colorado from Patriot Chevrolet in Hopkinsville, Kentucky. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 714. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 715. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 716. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 717. Plaintiff relied on the materials he reviewed before making his purchase.
- 718. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 719. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem on or about June 26, 2019. At that time, Plaintiff had only 6,112 miles on the vehicle.
- 720. Despite this repair, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
 - 721. GM did not disclose the Transmission Defect in its advertising

materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

42. Michael Plafker

- 722. Plaintiff Michael Plafker leased a new 2017 GMC Sierra/Denali from Van Buren Buick GMC in Garden City, New York. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 723. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 724. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 725. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 726. Plaintiff relied on the materials he reviewed before making his purchase.
- 727. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, vibrating, exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 728. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem on or about February 22, 2018. At that time, Plaintiff had only 7,972 miles on the vehicle.
- 729. Despite two (2) attempted repairs, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
 - 730. GM did not disclose the Transmission Defect in its advertising

materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

43. Michael Ponder

- 731. Plaintiff Michael Ponder purchased a New 2018 Chevrolet Camaro from Jack Wilson Chevrolet in St. Augustine FL. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 732. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 733. At all times, Plaintiff, has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 734. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 735. Plaintiff relied on the materials he reviewed before making his purchase.
- 736. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 737. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem in or about October 18, 2018. At that time, Plaintiff had only 5,340 miles on the vehicle.
- 738. Despite this attempted repair, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
 - 739. GM did not disclose the Transmission Defect in its advertising

materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

44. Louis Ray

- 740. Plaintiff Louis Ray purchased a used 2015 Cadillac Escalade from Vyletel Buick GMC in Sterling Heights, Michigan on or around August 14, 2017. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 741. Plaintiff Ray purchased the vehicle primarily for personal, family, or household use.
- 742. At all times, Plaintiff Ray has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 743. At the time of the purchase, Plaintiff Ray had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 744. Plaintiff relied on the materials Ray reviewed before making his purchase.
- 745. Shortly after purchase, Plaintiff Ray's transmission experienced hesitation, shaking, kicking, and lunching when driving his vehicle. This Transmission Defect reduces Plaintiff Ray's satisfaction with the vehicle and also raises a safety concern.
- 746. Plaintiff Ray provided notice to GM about the Transmission Defect when he informed the Genesis Cadillac in St. Clair Shores, Michigan about the transmission problem and presented his vehicle for repair on or about November 1, 2018. At that time, Plaintiff had only 44,284 miles on the vehicle.
- 747. Despite this attempted repair, GM's authorized dealership has failed to adequately repair Plaintiff Ray's vehicle, and it continues to exhibit a Transmission Defect.

748. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff Ray would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

45. Jeffrey Rice

- 749. Plaintiff, Jeffrey Rice, purchased a new 2018 Chevrolet Silverado from Whiteside GM in St. Clairsville, Ohio. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 750. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 751. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 752. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 753. Plaintiff relied on the materials he reviewed before making his purchase.
- 754. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 755. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem in or about December 21, 2018. At that time, Plaintiff had only 5,258 miles on the vehicle.
- 756. Despite three (3) attempted repairs, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.

757. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

46. Arif Shakoor

- 758. Plaintiff, Arif Shakoor, purchased a New 2015 GMC Denali from Lane Buick GMC in Melbourne, FL. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 759. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 760. At all times, Plaintiff, has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 761. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 762. Plaintiff relied on the materials he reviewed before making his purchase.
- 763. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 764. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem on or about July 28, 2016. At that time, Plaintiff had only 36,159 miles on the vehicle.
- 765. Despite two (2) attempted repairs, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.

766. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

47. Keith and Karen Shelton

- 767. Plaintiffs Keith and Karen Shelton purchased a new 2018 Chevrolet Silverado 1500 from I.G. Burton Lewes Chevrolet Buick GMC in Lewes, Delaware. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 768. Plaintiffs purchased the vehicle primarily for personal, family, or household use.
- 769. At all times, Plaintiffs have driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 770. At the time of the purchase, Plaintiffs had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 771. Plaintiffs relied on the materials they reviewed before making their purchase.
- 772. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 773. Plaintiff provided notice to GM about the Transmission Defect when they informed the dealership about the transmission problem on or about January 9, 2019, February 20, 2019, April 1, 2019, and April 25, 2019. At that time, Plaintiff had, respectively, only 10,195, 12,837, 13,933, and 15,724 miles on the vehicle.
- 774. Despite this attempted repair on four (4) occasions, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to

exhibit a Transmission Defect.

775. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price they paid for it.

48. Cary Sherrow

- 776. Plaintiff Sherrow, a resident of Hermiston, Oregon, purchased a new 2017 GMC Sierra from Dave Smith Motors in Kellogg, Idaho. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 777. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 778. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 779. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 780. Plaintiff relied on the materials he reviewed before making his purchase.
- 781. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 782. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem on or about April 4, 2018, as well as on subsequent visits to his dealership when he brought in his vehicle for routine maintenance. Dealership staff have repeatedly informed formed Plaintiff Sherrow that GM is aware of the transmission issues, but a remedy is unavailable.

- 783. Despite this contact, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 784. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

49. Richard "Terry" Shope

- 785. Plaintiff Richard Shope purchased a new 2018 Chevrolet Camaro from Everett Morganton Buick GMC in Morganton, North Carolina. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 786. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 787. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 788. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 789. Plaintiff relied on the materials he reviewed before making his purchase.
- 790. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 791. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem in or about February 23, 2019. At that time, Plaintiff had only 3,083 miles on the vehicle.

- 792. Despite this attempted repair, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 793. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

50. Donald Sicura

- 794. Plaintiff Donald Sicura purchased a new 2015 Chevrolet Corvette from Palmetto Chevrolet in Conway, South Carolina. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 795. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 796. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 797. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 798. Plaintiff relied on the materials he reviewed before making his purchase.
- 799. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 800. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem on or about September 7, 2016, September 20, 2016, and April 25, 2019. At that time, Plaintiff had,

respectively, 7,056, 7,068, and 12,379, only miles on the vehicle.

- 801. Despite these attempted repairs, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 802. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

51. Joseph Sierchio

- 803. Plaintiff Joseph Sierchio purchased a new 2016 Chevrolet Camaro from Schumacher Chevrolet in Little Falls, New Jersey. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 804. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 805. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 806. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 807. Plaintiff relied on the materials he reviewed before making his purchase.
- 808. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 809. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem in or about October 4,

- 2018. At that time, Plaintiff had only 23,847 miles on the vehicle.
- 810. Despite three (3) attempted repairs, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 811. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

52. Jason "Kevin" Sinclair

- 812. Plaintiff Jason Kevin Sinclair purchased a new 2017 GMC Sierra from Team Chevrolet Buick GMC Cadillac in Salisbury, North Carolina. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 813. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 814. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 815. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 816. Plaintiff relied on the materials he reviewed before making his purchase.
- 817. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 818. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem in or about May 22, 2017.

At that time, Plaintiff had only 960 miles on the vehicle.

- 819. Despite five (5) attempted repairs, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 820. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

53. Dennis Speerly

- 821. Plaintiff, Dennis Speerly, purchased a new 2017 GMC Canyon from Dekalb Sycamore Chevrolet Cadillac GMC in Sycamore, Illinois. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 822. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 823. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 824. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 825. Plaintiff relied on the materials he reviewed before making his purchase.
- 826. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 827. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem in or about December

- 19, 2017. At that time, Plaintiff had only 12,484 miles on the vehicle.
- 828. Despite five (5) attempted repairs, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 829. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

54. Richard Sullivan

- 830. Plaintiff Richard Sullivan purchased a new 2015 Chevrolet Corvette from Schumacher Chevrolet in Lake Worth, Florida. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 831. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 832. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 833. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 834. Plaintiff relied on the materials he reviewed before making his purchase.
- 835. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 836. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem on or about July 12,

- 2016. At that time, Plaintiff had only 8,704 miles on the vehicle.
- 837. Despite the five (5) attempted repairs, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 838. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

55. Michael Sylvester

- 839. Plaintiff Michael Sylvester purchased a new 2018 Cadillac CT6 Sierra from King O'Rourke Cadillac Buick GMC in Smithtown, New York. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 840. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 841. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 842. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 843. Plaintiff relied on the materials he reviewed before making his purchase.
- 844. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 845. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem in or about August 11,

- 2018. At that time, Plaintiff had only 12,766 miles on the vehicle.
- 846. Despite attempted repairs, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 847. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

56. Tait Thomas

- 848. Plaintiff Tait Thomas purchased a New 2015 Chevrolet Corvette from Lorenzo Bomnin Chevrolet in Miami, FL on September 28, 2014. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 849. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 850. At all times, Plaintiff, has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 851. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 852. Plaintiff relied on the material she reviewed before making his purchase.
- 853. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 854. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem on or about April 29,

- 2017. At that time, Plaintiff had only 6,314 miles on the vehicle.
- 855. Despite this attempted repair, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 856. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

57. Philip Weeks

- 857. Plaintiff Philip Weeks purchased a new 2018 Cadillac CT6 from Hennessy Cadillac in Duluth, Georgia on or around December 18, 2018. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 858. Plaintiff Weeks purchased the vehicle primarily for personal, family, or household use.
- 859. At all times, Plaintiff Weeks has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 860. At the time of the purchase, Plaintiff Weeks had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 861. Plaintiff Weeks relied on the materials he reviewed before making his purchase.
- 862. Shortly after purchase, Plaintiff Weeks's transmission began to shift so heavily from first to second gear and from second gear to first that it feels like the vehicle has been rear-ended. This Transmission Defect reduces Plaintiff Weeks's satisfaction with the vehicle and also raises a safety concern.
- 863. Plaintiff Weeks provided notice to GM about the Transmission Defect when he informed Hennessy Cadillac about the transmission problem and presented

his vehicle for repair on or about January 2019 and August 8, 2019. At that time of the latter visit, Plaintiff Weeks had 5,608 miles on the vehicle. Plaintiff Weeks also filled out a Customer Satisfaction Survey for GM in which he reported the Transmission Defect, who directly contacted him about his dissatisfaction in or around February 2019.

- 864. Despite this attempted repair on two occasions, GM's authorized dealership has failed to adequately repair Plaintiff Weeks's vehicle, and it continues to exhibit a Transmission Defect.
- 865. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff Weeks would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

58. Kevin Wesley

- 866. Plaintiff Wesley purchased a new 2017 Chevy Colorado from Chevrolet of Milford in Milford, Connecticut. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 867. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 868. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 869. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 870. Plaintiff relied on the materials he reviewed before making his purchase.
 - 871. Shortly after purchase, Plaintiff's transmission was shuddering, jerking,

and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.

- 872. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem on or about December 8, 2018, December 19, 2018, April 3, 2019, and June 10, 2019. At these times, Plaintiff had, respectively, only 865, 1,125, 4,325, and 6,391 miles on the vehicle.
- 873. Despite four (4) attempted repairs, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 874. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

59. Philip Whicker

- 875. Plaintiff Philip Whicker purchased a new 2017 Chevrolet Corvette Grand Sport from Champion Chevrolet in Avon, Indiana. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 876. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 877. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 878. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 879. Plaintiff relied on the materials he reviewed before making his purchase.

- 880. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 881. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem on or about July 17, 2017. At that time, Plaintiff had only 3,272 miles on the vehicle.
- 882. Despite this attempted repair, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 883. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

60. Wesley Won

- 884. Plaintiff Wesley Won purchased a new 2016 Cadillac Escalade from Stewart Chevrolet in Colma, California. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 885. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 886. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 887. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 888. Plaintiff relied on the materials he reviewed before making his purchase.

- 889. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 890. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem on or about March 27, 2018. At that time, Plaintiff had only 7,224 miles on the vehicle.
- 891. Despite attempted repairs, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 892. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

61. Howard Young

- 893. Plaintiff, Howard Young, purchased a new 2015 Chevrolet Corvette from Team Chevrolet in Olean, New York. The vehicle was equipped with an 8L90 or 8L45 transmission.
- 894. Plaintiff purchased the vehicle primarily for personal, family, or household use.
- 895. At all times, Plaintiff has driven the vehicle in a foreseeable manner and in the manner in which it was intended to be used.
- 896. At the time of the purchase, Plaintiff had reviewed marketing materials for the vehicle and also discussed the purchase with an authorized dealer.
- 897. Plaintiff relied on the materials he reviewed before making his purchase.

- 898. Shortly after purchase, Plaintiff's transmission was shuddering, jerking, and vibrating, and exhibiting transmission slips and hesitating while accelerating. This Transmission Defect reduces Plaintiff's satisfaction with the vehicle and also raises a safety concern.
- 899. Plaintiff provided notice to GM about the Transmission Defect when he informed the dealership about the transmission problem in or about December 21, 2016. At that time, Plaintiff had only 35,171 miles on the vehicle.
- 900. Despite two (2) attempted repairs, GM's authorized dealership has failed to adequately repair Plaintiff's vehicle, and it continues to exhibit a Transmission Defect.
- 901. GM did not disclose the Transmission Defect in its advertising materials, on its websites, or to its dealers. Had GM done so, Plaintiff would have learned of that material information, and would not have purchased the vehicle or paid the price he paid for it.

CLASS ACTION ALLEGATIONS

- 902. Plaintiffs bring this lawsuit as a class action on behalf of themselves and all others similarly situated as members of the proposed Classes pursuant to Federal Rules of Civil Procedure 23(a), 23(b)(2), (b)(3) and (c)(4). As described below, this action satisfies the numerosity, commonality, typicality, adequacy, predominance, and superiority requirements of Rules 23(a) and 23(b)(3). This action also satisfies the requirements of Rules 23(b)(2) and (c)(4).
- 903. Pursuant to Fed. R. Civ. Proc. 23(a) and (b)(2), (b)(3) and/or (c)(4), Plaintiffs assert classes based on the applicable state law of the plaintiffs. The Class and Sub-Classes are defined as:
- 904. **Nationwide Class**: All individuals in the United States who purchased or leased any GM passenger vehicle equipped with a GM 8L45 or 8L90 transmission

- (the "Nationwide Class" or "Class"). These vehicles include the 2015-2019 Chevrolet Silverado; the 2017-2019 Chevrolet Colorado; the 2015-2019 Chevrolet Corvette; the 2016-2019 Chevrolet Camaro; the 2015-2019 Cadillac Escalade and Escalade ESV; the 2016-2019 Cadillac ATS, ATS-V, CTS, CT6, and CTS-V; the 2015-2019 GMC Sierra, Yukon, and Yukon XL, and Yukon Denali XL; and the 2017-2019 GMC Canyon. ("Subject Vehicles").
- 905. **Alabama Sub-Class**: All those who purchased or leased a Subject Vehicle in Alabama.
- 906. **Arkansas Sub-Class**: All those who purchased or leased a Subject Vehicle in Arkansas.
- 907. **Arizona Sub-Class**: All those who purchased or leased a Subject Vehicle in Arizona.
- 908. **California Sub-Class**: All those who purchased or leased a Subject Vehicle in California.
- 909. **Colorado Sub-Class**: All those who purchased or leased a Subject Vehicle in Colorado.
- 910. **Connecticut Sub-Class**: All those who purchased or leased a Subject Vehicle in Connecticut.
- 911. **Delaware Sub-Class**: All those who purchased or leased a Subject Vehicle in Delaware.
- 912. **Florida Sub-Class**: All those who purchased or leased a Subject Vehicle in Florida.
- 913. **Georgia Sub-Class**: All those who purchased or leased a Subject Vehicle in Georgia.
- 914. **Idaho Sub-Class**: All those who purchased or leased a Subject Vehicle in Idaho.
 - 915. Illinois Sub-Class: All those who purchased or leased a Subject

Vehicle in Illinois.

- 916. **Indiana Sub-Class**: All those who purchased or leased a Subject Vehicle in Indiana.
- 917. **Kansas Sub-Class**: All those who purchased or leased a Subject Vehicle in Kansas.
- 918. **Kentucky Sub-Class**: All those who purchased or leased a Subject Vehicle in Kentucky.
- 919. **Louisiana Sub-Class**: All those who purchased or leased a Subject Vehicle in Louisiana.
- 920. **Maine Sub-Class**: All those who purchased or leased a Subject Vehicle in Maine.
- 921. **Michigan Sub-Class**: All those who purchased or leased a Subject Vehicle in Michigan.
- 922. **Minnesota Sub-Class**: All those who purchased or leased a Subject Vehicle in Minnesota.
- 923. **Missouri Sub-Class**: All those who purchased or leased a Subject Vehicle in Missouri.
- 924. **New Hampshire Sub-Class**: All those who purchased or leased a Subject Vehicle in New Hampshire.
- 925. **New Jersey Sub-Class**: All those who purchased or leased a Subject Vehicle in New Jersey.
- 926. **New York Sub-Class**: All those who purchased or leased a Subject Vehicle in New York.
- 927. **North Carolina Sub-Class**: All those who purchased or leased a Subject Vehicle in North Carolina.
- 928. **Ohio Sub-Class**: All those who purchased or leased a Subject Vehicle in Ohio.

- 929. **Oklahoma Sub-Class**: All those who purchased or leased a Subject Vehicle in Oklahoma.
- 930. **Pennsylvania Sub-Class**: All those who purchased or leased a Subject Vehicle in Pennsylvania.
- 931. **South Carolina Sub-Class**: All those who purchased or leased a Subject Vehicle in South Carolina.
- 932. **South Dakota Sub-Class**: All those who purchased or leased a Subject Vehicle in South Dakota.
- 933. **Tennessee Sub-Class**: All those who purchased or leased a Subject Vehicle in Tennessee.
- 934. **Texas Sub-Class**: All those who purchased or leased a Subject Vehicle in Texas.
- 935. **Washington Sub-Class**: All those who purchased or leased a Subject Vehicle in Washington.
- 936. **Wisconsin Sub-Class**: All those who purchased or leased a Subject Vehicle in Wisconsin.
- 937. Excluded from the Class and Sub-Classes are: (1) Defendant, any entity or division in which Defendant has a controlling interest, and their legal representatives, officers, directors, assigns, and successors; (2) the Judge to whom this case is assigned and the Judge's staff; (3) any Judge sitting in the presiding state and/or federal court system who may hear an appeal of any judgment entered; and (4) those persons who have suffered personal injuries as a result of the facts alleged herein. Plaintiffs reserve the right to amend the Class and Sub-Class definitions if discovery and further investigation reveal that the Class or any Sub-Class should be expanded or otherwise modified.
- 938. **Numerosity**: Although the exact number of Class Members is uncertain and can only be ascertained through appropriate discovery, the number is

great enough such that joinder is impracticable. The disposition of the claims of these Class Members in a single action will provide substantial benefits to all parties and to the Court. The Class Members are readily identifiable from information and records in GM's possession, custody, or control, as well as from records kept by the Department of Motor Vehicles.

- 939. **Typicality**: Plaintiffs' claims are typical of the claims of the Class and Sub-Classes in that Plaintiffs, like all Class Members, purchased or leased a Class Vehicle designed, manufactured, and distributed by GM, and equipped with the defective GM 8L45 or 8L90 transmissions. The representative Plaintiffs, like all Class Members, have been damaged by GM's misconduct in that they have incurred or will incur the cost of repairing or replacing the defective GM 8L45 or 8L90 transmission components. Furthermore, the factual bases of GM's misconduct are common to all Class Members and represent a common thread resulting in injury to the Class as a whole.
- 940. **Commonality**: There are numerous questions of law and fact common to Plaintiffs, the Class and Sub-Classes that predominate over any question affecting only individual Class Members. These common legal and factual issues include the following:
- (a) Whether Class Vehicles contain defects relating to the GM 8L45 or 8L90 Transmission;
- (b) Whether the defects relating to the GM 8L45 or 8L90 Transmission constitute an unreasonable safety risk;
- (c) Whether the defective nature of the GM 8L45 or 8L90 Transmission constitutes a material fact;
- (d) Whether Defendant has a duty to disclose the defective nature of the GM 8L45 or 8L90 Transmission to Plaintiffs and Class Members;
 - (e) Whether Plaintiffs and the other Class Members are entitled to 226

equitable relief, including but not limited to a preliminary and/or permanent injunction;

- (f) Whether Defendant knew or reasonably should have known of the defects relating to the GM 8L45 or 8L90 Transmission before it sold and leased Class Vehicles to Plaintiffs and Class Members and, if so, how long Defendant has known of the defect;
- (g) Whether Defendant should be declared financially responsible for notifying all Class Members of the problems with the Class Vehicles and for the costs and expenses of repairing and replacing the defective GM 8L45 or 8L90 Transmission;
- (h) Whether Defendant is obligated to inform Class Members of their right to seek reimbursement for having paid to diagnose, repair, or replace their defective GM 8L45 or 8L90 Transmission; and
- (i) Whether Defendant breached the implied warranty of merchantability pursuant to the laws governing each of the Sub-Class jurisdictions; and
- (j) Whether Defendant breached express warranties pursuant to the laws governing each of the Sub-Class jurisdictions.
- 941. **Adequate Representation**: Plaintiffs will fairly and adequately protect the interests of the Class Members. Plaintiffs have retained attorneys experienced in the prosecution of class actions, including consumer and product defect class actions, and Plaintiffs intend to prosecute this action vigorously.
- 942. **Predominance and Superiority**: Plaintiffs and the Class Members have all suffered and will continue to suffer harm and damages as a result of GM's unlawful and wrongful conduct. A class action is superior to other available methods for the fair and efficient adjudication of the controversy. Absent a class action, most Class Members would likely find the cost of litigating their claims prohibitively high and would therefore have no effective remedy at law. Because of the relatively small

size of the individual Class Members' claims, it is likely that only a few Class Members could afford to seek legal redress for GM's misconduct. Absent a class action, Class Members will continue to incur damages, and GM's misconduct will continue without remedy. Class treatment of common questions of law and fact would also be a superior method to multiple individual actions or piecemeal litigation in that class treatment will conserve the resources of the courts and the litigants and will promote consistency and efficiency of adjudication.

- 943. This action is also certifiable under the provisions of Fed. R. Civ. Proc. 23(b)(2) because GM has acted or refused to act on grounds generally applicable to the Class, thereby making appropriate final injunctive relief or corresponding declaratory relief with respect to the Class as a whole and necessitating that any such relief be extended to members of the Class on a mandatory, class-wide basis.
- 944. In the alternative, the common issues regarding GM's liability and the existence of the Transmission Defect can be decided class-wide under Rule 23(c)(4).
- 945. Plaintiffs are not aware of any difficulty which will be encountered in the management of this litigation which should preclude its maintenance as a class action.

TOLLING OF THE STATUTES OF LIMITATIONS

- 946. Because the defect is undetectable until it manifests and GM failed to disclose or intentionally concealed the Transmission Defect, Plaintiffs and Class Members were not reasonably able to discover the problem until after purchasing the Class Vehicles, despite exercise of due diligence.
- 947. Additionally, on information and belief, GM instructed its authorized dealership employees and technicians to inform Class Members that the manifestations of the Transmission Defect in the GM 8L45 and 8L90 Transmission were normal, and therefore not a defect as alleged herein.

- 948. Plaintiffs and the Class Members had no realistic ability to discern that the GM 8L45 and 8L90 Transmissions in Class Vehicles were defective. Therefore, the discovery rule is applicable to the claims asserted by Plaintiffs and the Class Members.
- 949. Plaintiffs are informed and believe and based thereon allege that GM has known of the Transmission Defect since at least 2014 and has concealed from or failed to alert owners and lessees of the Class Vehicles of the defective nature of the GM 8L45 and 8L90 Transmissions.
- 950. Any applicable statute of limitations has therefore been tolled by GM's knowledge, active concealment, and denial of the facts alleged herein. Defendant is further estopped from relying on any statute of limitations because of its concealment of the Transmission Defect.

CAUSES OF ACTION

1. COUNT 1 BREACH OF WARRANTY UNDER THE MAGNUSON-MOSS WARRANTY ACT 15 U.S.C. . § 2303, *ET SEQ*

- 951. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 952. Plaintiffs bring this cause of action on behalf of themselves and on behalf of all Class Members.
- 953. The Class Vehicles are a "consumer product" within the meaning of the Magnuson-Moss Warranty Act, 15 U.S.C. § 2301(1).
- 954. Plaintiffs and Class Members are "consumers" within the meaning of the Magnuson-Moss Warranty Act, 15 U.S.C. § 2301(3).
- 955. GM is a "supplier" and "warrantor" within the meaning of the Magnuson-Moss Warranty Act, 15 U.S.C. § 2301(4)-(5).
 - 956. GM's express warranty is a "written warranty" within the meaning of

the Magnuson-Moss Warranty Act, 15 U.S.C. § 2301(6).

- 957. GM provided all purchasers and lessees of the Class Vehicles with the express warranty described herein, which became a material part of the bargain.
- 958. GM provided all purchasers and lessees of Cadillac-branded Class Vehicles with the Cadillac Warranty and all purchasers and lessees of Chevrolet or GM-branded Class Vehicles with the Chevrolet/GM Warranty.
- 959. Under the Warranties, GM expressly warranted the following: "The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Accordingly, the warranty covered all defects except for "slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Because the Transmission Defect does not fall into any of the above excluded categories, it is covered under GM's express warranty. GM agreed to provide such repairs "including towing, parts, and labor . . . at no charge" for up to 3 years or 36,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles and for up to 4 years or 50,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Bumper-to-Bumper Limited Warranties").
- 960. Furthermore, under the Powertrain Component of the Warranties, GMC expressly warranted that the powertrain components listed therein, including the transmission and "all internally lubricated parts, case, torque converter, mounts, seals, and gaskets as well as any electrical components internal to the transmission/transaxle" and "any actuators directly connected to the transmission (slave cylinder, etc.)" are covered under the Warranties for up to 5 years or 60,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles, and for up to 6 years or 70,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Powertrain Warranties").

- 961. On information and belief, GM breached the express warranty by:
- (a) Extending the Bumper-to-Bumper Limited Warranties and the Powertrain Warranties with the purchase or lease of the Class Vehicles, thereby warranting to repair or replace any part defective in material or workmanship, including the subject transmission, at no cost to the owner or lessee;
- (b) Selling and leasing Class Vehicles with transmissions that were defective in material and workmanship, requiring repair or replacement within the warranty period;
- (c) Refusing to honor the express warranty by repairing or replacing, free of charge, the transmission or any of its component parts or programming and instead charging for repair and replacement parts; and
- (d) Purporting to repair the Class Vehicles and/or performing inadequate, illusory repairs, including by falsely informing Class Members that there was no problem with their Class Vehicles, performing ineffective procedures including software updates, and/or replacing defective components in the 8L90 and 8L45 transmissions with equally defective components, without actually repairing the Class Vehicles.
- 962. Furthermore, GM impliedly warranted that the Class Vehicles were of merchantable quality and fit for such use. This implied warranty included, among other things: (i) a warranty that the Class Vehicles and their transmissions were manufactured, supplied, distributed, and/or sold by GM were safe and reliable for providing transportation; and (ii) a warranty that the Class Vehicles and their transmissions would be fit for their intended use while the Class Vehicles were being operated.
- 963. Contrary to the applicable implied warranties, the Class Vehicles and their transmissions at the time of sale and thereafter were not fit for their ordinary and intended purpose of providing Plaintiffs and Class Members with reliable,

durable, and safe transportation. Instead, the Class Vehicles are defective.

- 964. GM's breach of express and implied warranties has deprived Plaintiffs and Class Members of the benefit of their bargain.
- 965. The amount in controversy of the individual claims of each Plaintiff and Class member meets or exceeds the sum or value of \$25,000. In addition, the amount in controversy meets or exceeds the sum or value of \$50,000 (exclusive of interests and costs) computed on the basis of all claims to be determined in this suit.
- 966. GM has been afforded a reasonable opportunity to cure its breach, including when Plaintiffs and Class Members brought their vehicles in for diagnoses and repair of the transmission.
- 967. As a direct and proximate cause of GM's breach of express and implied warranties, Plaintiffs and Class Members sustained damages and other losses in an amount to be determined at trial. GM's conduct damaged Plaintiffs and Class Members, who are entitled to recover actual damages, consequential damages, specific performance, diminution in value, costs, attorneys' fees, and/or other relief as appropriate.
- 968. As a result of GM's violations of the Magnuson-Moss Warranty Act as alleged herein, Plaintiffs and Class Members have incurred damages.

2. COUNT 2 UNJUST ENRICHMENT (ON BEHALF OF THE NATIONWIDE CLASS OR ALTERNATIVELY, EACH OF THE STATE SUB-CLASSES)

- 969. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 970. Plaintiffs bring this cause of action on behalf of themselves and on behalf of the Nationwide Class, or, in the alternative, on behalf of each of the State Sub-Classes, against Defendant.

- 971. As a direct and proximate result of Defendant's failure to disclose known defects and material misrepresentations regarding known defects, Defendant has profited through the sale and lease of said vehicles. Although these vehicles are purchased through Defendant's agents, the money from the vehicle sales flows directly back to Defendant.
- 972. Additionally, as a direct and proximate result of Defendant's failure to disclose known defects and material misrepresentations regarding known defects in the Class Vehicles, Plaintiffs and Class Members have vehicles that require high-cost repairs that can and therefore have conferred an unjust substantial benefit upon Defendant.
- 973. Defendant has therefore been unjustly enriched due to the known defects in the Class Vehicles through the use of funds that earned interest or otherwise added to Defendant's profits when said money should have remained with Plaintiffs and Class Members.
- 974. As a result of the Defendant's unjust enrichment, Plaintiffs and Class Members have suffered damages.

3. COUNT 3 FRAUDULENT OMISSION (ON BEHALF OF THE NATIONWIDE CLASS OR ALTERNATIVELY EACH OF THE STATE SUB-CLASSES)

- 975. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 976. Plaintiffs bring this cause of action on behalf of themselves and on behalf of the Nationwide Class, or, in the alternative, on behalf of each of the State Sub-Classes, against Defendant.
 - 977. GM omitted material facts concerning the Class Vehicles.
 - 978. As described above, GM made material omissions and affirmative

misrepresentations regarding the Class Vehicles.

- 979. GM knew these representations were false when made.
- 980. The vehicles purchased or leased by Plaintiffs were, in fact, defective, unsafe and unreliable, because the Transmission Defect in the 8L90 and 8L45 transmissions causes unsafe conditions, including, but not limited to, Class Vehicles suddenly lurching forward, sudden acceleration, delayed acceleration, and sudden loss of forward propulsion. These conditions present a safety hazard because they severely affect the driver's ability to control the car's speed, acceleration, and deceleration.
- 981. GM had a duty to disclose that these vehicles were defective, unsafe and unreliable, in that the Transmission Defect in the 8L90 and 8L45 transmissions causes unsafe conditions, because Plaintiffs relied on GM's representations that the vehicles they were purchasing and retaining were safe and free from defects.
- 982. The aforementioned omission was material, because if it had been disclosed Plaintiffs would not have bought, leased or retained their vehicles.
- 983. The aforementioned representations were also material because they were facts that would typically be relied on by a person purchasing, leasing or retaining a new or used motor vehicle. GM intentionally made the false statements in order to sell vehicles and avoid the expense and public relations nightmare of a recall.
- 984. Plaintiffs relied on GM's reputation-along with their failure to disclose the Transmission Defect and GM's affirmative assurances that their vehicles were safe and reliable and other similar false statements—in purchasing, leasing or retaining the Class Vehicles.
- 985. GM had a duty to disclose the true facts about the Class Vehicles because they were known and/or accessible only to GM who had superior knowledge and access to the facts, and the facts were not known to or reasonably discoverable

by Plaintiffs and the Sub-Classes. As stated above, these omitted and concealed facts were material because they directly impact the safety, reliability and value of the Class Vehicles. Whether a manufacturer's products are safe and reliable, and whether that manufacturer stands behind its products, is of material concern to a reasonable consumer.

A. Claims on Behalf of the Alabama Sub-Class

4. COUNT 4 VIOLATION OF THE ALABAMA DECEPTIVE TRADE PRACTICES ACT ALA. CODE § 8-19-1, ET SEQ.

- 986. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 987. Plaintiffs Brian Lloyd ("Alabama Plaintiff") brings this cause of action on his own behalf and on behalf of the members of the Alabama Sub-Class.
- 988. GM, Alabama Plaintiff, and the Alabama Sub-Class Members are "persons" within the meaning of the Alabama Deceptive Trade Practices Act ("Alabama DTPA") Ala. Code § 8-19-3(5).
- 989. Alabama Plaintiff and the Alabama Sub-Class Members "persons" within the meaning of Ala. Code § 8-19-3(2).
- 990. The Class Vehicles are "goods" within the meaning of Ala. Code § 8-19-3(3).
- 991. Defendant was and is engaged in "trade or commerce" within the meaning of Ala. Code § 8-19-3(8).
- 992. The Alabama DTPA declares several specific actions to be unlawful, including: "(5) Representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits, or qualities that they do not have," "(7) Representing that goods or services are of a particular standard, quality, or grade, or

that goods are of a particular style or model, if they are of another," and "(27) Engaging in any other unconscionable, false, misleading, or deceptive act or practice in the conduct of trade or commerce." Ala. Code § 8-19-5.

- 993. GM participated in unfair or deceptive trade practices that violated the Alabama DTPA as described below and alleged throughout the Complaint. By failing to disclose the Transmission Defect, by concealing the Transmission Defect, by marketing its vehicles as safe, reliable, easily operable, efficient, and of high quality, and by presenting itself as a reputable manufacturer that valued safety, cleanliness, performance and efficiency, and stood behind its vehicles after they were sold, GM knowingly and intentionally misrepresented and omitted material facts in connection with the sale or lease of the Class Vehicles. GM systematically misrepresented, concealed, suppressed, or omitted material facts relating to the Class Vehicles and Transmission Defect in the course of its business.
- 994. GM also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale of the Class Vehicles.
- 995. GM's unfair and deceptive acts or practices occurred repeatedly in GM's trade or business, were capable of deceiving a substantial portion of the purchasing public and imposed a serious safety risk on the public.
- 996. GM knew that the Class Vehicles and their transmissions suffered from an inherent defect, were defectively designed or manufactured, and were not suitable for their intended use.
- 997. GM knew or should have known that its conduct violated the Alabama DTPA.

- 998. Alabama Plaintiff and the Alabama Sub-Class Members reasonably relied on GM's misrepresentations and omissions of material facts in its advertisements of the Class Vehicles and in the purchase of the Class Vehicles.
- 999. Had Alabama Plaintiff and the Alabama Sub-Class Members known that the Class Vehicles would exhibit the Transmission Defect, they would not have purchased or leased the Class Vehicles or would have paid less for them. Plaintiffs did not receive the benefit of their bargain as a result of GM's misconduct.
- 1000. Alabama Plaintiff and the Alabama Sub-Class Members suffered injury in fact to a legally protected interest. As a result of GM's conduct, Alabama Plaintiff and the Alabama Sub-Class Members were harmed and suffered actual damages in the form of the diminished value of their vehicles.
- 1001. As a result of GM's conduct, Alabama Plaintiff and the Alabama Sub-Class Members were harmed and suffered actual damages as a result of GM's misrepresentations and omissions with regard to their Class Vehicles' transmissions because they purchased vehicles which do not perform as advertised.
- 1002. As a direct and proximate result of GM's unfair or deceptive acts or practices, Alabama Plaintiff and the Alabama Sub-Class Members suffered and will continue to suffer injury in fact and/or actual damages.
- 1003. Alabama Plaintiff and the Alabama Sub-Class Members seek an order enjoining GM's unfair, unlawful, and/or deceptive practices, attorneys' fees, and any other just and proper relief available under the under the Alabama DTPA.
- 1004. Plaintiffs intend to assert a claim under the Alabama DTPA. Plaintiffs will make a demand in satisfaction of Ala. Code § 8-19-3 and may amend this Complaint to assert claims under the Alabama DTPA once the required 15 days have elapsed. This paragraph is included for purposes of notice only and is not intended to actually assert a claim under the Alabama DTPA.

5. COUNT 5 BREACH OF EXPRESS WARRANTY ALA. CODE §§ 7-2-313 AND 7-2A-210

- 1005. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1006. Alabama Plaintiff brings this cause of action on his own behalf and on behalf of the members of the Alabama Sub-Class.
- 1007. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Ala. Code §§ 7-2-104(1) and 7-2A-103(3), and a "seller" of motor vehicles under § 7-2-103(1)(d).
- 1008. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Ala. Code § 7-2A-103(1)(p).
- 1009. The Class Vehicles are and were at all relevant times "goods" within the meaning of Ala. Code §§ 7-2-105(1) and 7-2A-103(1)(h).
- 1010. GM provided all purchasers and lessees of the Class Vehicles with the express warranty described herein, which became a material part of the bargain.
- 1011. GM provided all purchasers and lessees of Cadillac-branded Class Vehicles with the Cadillac Warranty and all purchasers and lessees of Chevrolet or GM-branded Class Vehicles with the Chevrolet/GM Warranty.
- 1012. Under the Warranties, GM expressly warranted the following: "The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Accordingly, the warranty covered all defects except for "slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Because the Transmission Defect does not fall into any of the above excluded categories, it is covered under GM's express warranty. GM agreed to provide such repairs

"including towing, parts, and labor . . . at no charge" for up to 3 years or 36,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles and for up to 4 years or 50,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Bumper-to-Bumper Limited Warranties").

- 1013. Furthermore, under the Powertrain Component of the Warranties, GMC expressly warranted that the powertrain components listed therein, including the transmission and "all internally lubricated parts, case, torque converter, mounts, seals, and gaskets as well as any electrical components internal to the transmission/transaxle" and "any actuators directly connected to the transmission (slave cylinder, etc.)" are covered under the Warranties for up to 5 years or 60,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles, and for up to 6 years or 70,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Powertrain Warranties").
- 1014. GM manufactured and/or installed the 8L90 and 8L45 transmissions and the transmissions' component parts in the Class Vehicles, and the 8L90 and 8L45 transmissions and their component parts are covered by the express Warranties.
- 1015. The Transmission Defect at issue in this litigation was present at the time the Class Vehicles were sold or leased to Alabama Plaintiff and the Alabama Sub-Class Members.
- 1016. Plaintiffs relied on GM's express warranties, which were a material part of the bargain, when purchasing or leasing their Class Vehicles.
- 1017. Under the express Warranties, GM was obligated to correct the Transmission Defect in the vehicles owned or leased by Alabama Plaintiff and the Alabama Sub-Class Members.

- 1018. Although GM was obligated to correct the Transmission Defect, none of the attempted fixes to the transmissions are adequate under the terms of the Warranties, as they did not cure the defect.
- 1019. GM breached the express Warranties by performing illusory repairs. Rather than repairing the vehicles pursuant to the express Warranties, GM falsely informed Alabama Sub-Class Members that there was no problem with their Class Vehicles, performed ineffective procedures including software updates, and/or replaced defective components in the 8L90 and 8L45 transmissions with equally defective components, without actually repairing the Class Vehicles.
- 1020. GM and its agent dealers have failed and refused to conform the 8L90 and 8L45 transmissions to the express Warranties. GM's conduct, as discussed throughout this Complaint, has voided any attempt on its part to disclaim liability for its actions.
- 1021. Moreover, GM's attempt to disclaim or limit these express Warranties vis-à-vis consumers is unconscionable and unenforceable under the circumstances here. Specifically, GM's warranty limitation is unenforceable because it knowingly sold a defective product without informing consumers about the defect.
- 1022. The time limits contained in GM's warranty period were also unconscionable and inadequate to protect Alabama Plaintiff and the Alabama Sub-Class Members. Among other things, Alabama Plaintiff and the Alabama Sub-Class Members had no meaningful choice in determining these time limitations, the terms of which unreasonably favored GM. A gross disparity in bargaining power existed between GM and the Class members, and GM knew or should have known that the Class Vehicles were defective at the time of sale.
- 1023. Alabama Plaintiff and the Alabama Sub-Class Members have complied with all obligations under the Warranties, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

- 1024. Alabama Plaintiff and the Alabama Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal and external sources.
- 1025. Because GM, through its conduct and exemplified by its own service bulletins, has covered repairs of the Transmission Defect if GM determines the repairs are appropriately covered under the Warranties, GM cannot now deny that the Warranties cover the Transmission Defect.
- 1026. Because GM has not been able to remedy the Transmission Defect, any limitation on remedies included in the Warranties causes the Warranties to fail their essential purposes, rendering them null and void.
- 1027. As a direct and proximate cause of GM's breach, Alabama Plaintiff and the Alabama Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Alabama Plaintiff and the Alabama Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.
- 1028. As a direct and proximate result of GM's breach of express warranties, Alabama Plaintiff and the Alabama Sub-Class Members have been damaged in an amount to be determined at trial.

6. COUNT 6 BREACH OF THE IMPLIED WARRANTY OF MERCHANTABILITY ALA. CODE §§ 7-2-314 AND 7-2A-212

- 1029. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1030. Alabama Plaintiff brings this cause of action on his own behalf and on behalf of the members of the Alabama Sub-Class.
- 1031. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Ala. Code §§ 7-2-104(1) and 7-2A-103(3), and a "seller" of motor vehicles under § 7-2-103(1)(d).
- 1032. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under ALA. CODE § 7-2A-103(1)(p).
- 1033. The Class Vehicles are and were at all relevant times "goods" within the meaning of Ala. Code §§ 7-2-105(1) and 7-2A-103(1)(h).
- 1034. A warranty that the Class Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used is implied by law under Ala. Code §§ 7-2-314 and 7-2A-212.
- 1035. GM knew or had reason to know of the specific use for which the Class Vehicles were purchased or leased. GM directly sold and marketed vehicles equipped with the 8L90 and 8L45 transmissions to customers through authorized dealers, like those from whom Alabama Plaintiff and the Alabama Sub-Class Members bought or leased their vehicles, for the intended purpose of consumers purchasing the vehicles. GM knew that the Class Vehicles would and did pass unchanged from the authorized dealers to Alabama Plaintiff and the Alabama Sub-Class Members, with no modification to the defective transmissions.

1036. GM provided Plaintiffs and Class Members with an implied warranty that the Class Vehicles and their components and parts are merchantable and fit for the ordinary purposes for which they were sold.

1037. This implied warranty included, among other things: (i) a warranty that the Class Vehicles and their transmissions that were manufactured, supplied, distributed, and/or sold by GM were safe and reliable for providing transportation; and (ii) a warranty that the Class Vehicles and their transmissions would be fit for their intended use while the Class Vehicles were being operated.

1038. Contrary to the applicable implied warranties, the Class Vehicles and their transmissions at the time of sale and thereafter were not fit for their ordinary and intended purpose of providing Plaintiffs and Class Members with reliable, durable, and safe transportation. Instead, the Class Vehicles are defective, including, but not limited to, the defective design or manufacture of their transmissions and the existence of the Transmission Defect at the time of sale or lease and thereafter. GM knew of this defect at the time these sale or lease transactions occurred.

1039. As a result of GM's breach of the applicable implied warranties, Alabama Plaintiff and the Alabama Sub-Class Members of the Class Vehicles suffered an ascertainable loss of money, property, and/or value of their Class Vehicles. Additionally, as a result of the Transmission Defect, Alabama Plaintiff and the Alabama Sub-Class Members were harmed and suffered actual damages in that the Class Vehicles' transmission components are substantially certain to fail before their expected useful life has run.

1040. GM's actions, as complained of herein, breached the implied warranty that the Class Vehicles were of merchantable quality and fit for such use in violation of Ala. Code §§ 7-2-314 and 7-2A-212.

- 1041. Alabama Plaintiff and the Alabama Sub-Class Members have complied with all obligations under the warranty, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.
- 1042. Alabama Plaintiff and the Alabama Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal sources.
- 1043. As a direct and proximate cause of GM's breach, Alabama Plaintiff and the Alabama Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Alabama Plaintiff and the Alabama Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.
- 1044. As a direct and proximate result of GM's breach of the implied warranty of merchantability, Alabama Plaintiff and the Alabama Sub-Class Members have been damaged in an amount to be proven at trial.

B. Claims on Behalf of the Arizona Sub-Class

7. COUNT 7 VIOLATION OF THE ARIZONA CONSUMER FRAUD ACT ARIZ. REV. STAT. § 44-1521, *ET SEQ*.

- 1045. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1046. Plaintiff Maria Barallardos ("Arizona Plaintiff") brings this cause of action on her own behalf and on behalf of the members of the Arizona Sub-Class.
 - 1047. The Arizona Consumer Fraud Act ("Arizona CFA") provides that

"[t]he act, use or employment by any person of any deception, deceptive act or practice, fraud, ... misrepresentation, or concealment, suppression, or omission of any material fact with intent that others rely upon such concealment, suppression, or omission, in connection with the sale ... of any merchandise whether or not any person has in fact been misled, deceived or damaged thereby, is declared to be an unlawful practice." Ariz. Rev. Stat. § 44-1522(A).

1048. GM participated in deceptive trade practices that violated the Arizona CFA as described below and alleged throughout the Complaint. By failing to disclose the Transmission Defect, by concealing the Transmission Defect, by marketing its vehicles as safe, reliable, easily operable, efficient, and of high quality, and by presenting itself as a reputable manufacturer that valued safety, cleanliness, performance and efficiency, and stood behind its vehicles after they were sold, GM knowingly and intentionally misrepresented and omitted material facts in connection with the sale or lease of the Class Vehicles. GM systematically misrepresented, concealed, suppressed, or omitted material facts relating to the Class Vehicles and Transmission Defect in the course of its business.

1049. By systematically devaluing safety and concealing a plethora of defects in the 8L90 and 8L45 Transmissions and the Class Vehicles, GM engaged in unfair or deceptive practices prohibited by the Arizona CFA, including: (1) representing that the 8L90 and 8L45 Transmissions and the Class Vehicles have characteristics, uses, benefits, and qualities which they do not have; (2) representing that the 8L90 and 8L45 Transmissions and the Class Vehicles are of a particular standard, quality, and grade when they are not; and (3) advertising the 8L90 and 8L45 Transmissions and the Class Vehicles with the intent not to sell them as advertised.

1050. GM also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission of any material fact with intent that others rely upon such concealment,

suppression or omission, in connection with the sale of the Class Vehicles.

- 1051. GM's unfair and deceptive acts or practices occurred repeatedly in GM's trade or business, were capable of deceiving a substantial portion of the purchasing public and imposed a serious safety risk on the public.
- 1052. GM knew that the Class Vehicles and their transmissions suffered from an inherent defect, were defectively designed or manufactured, and were not suitable for their intended use.
- 1053. GM knew or should have known that its conduct violated the Arizona CFA.
- 1054. Arizona Plaintiff and the Arizona Sub-Class Members reasonably relied on GM's misrepresentations and omissions of material facts in its advertisements of the Class Vehicles and in the purchase of the Class Vehicles.
- 1055. Had Arizona Plaintiff and the Arizona Sub-Class Members known that the Class Vehicles would exhibit the Transmission Defect, they would not have purchased or leased the Class Vehicles or would have paid less for them. Plaintiffs did not receive the benefit of their bargain as a result of GM's misconduct.
- 1056. Arizona Plaintiff and the Arizona Sub-Class Members suffered injury in fact to a legally protected interest. As a result of GM's conduct, Arizona Plaintiff and the Arizona Sub-Class Members were harmed and suffered actual damages in the form of the diminished value of their vehicles.
- 1057. As a result of GM's conduct, Arizona Plaintiff and the Arizona Sub-Class Members were harmed and suffered actual damages as a result of GM's misrepresentations and omissions with regard to their Class Vehicles' transmissions because they purchased vehicles which do not perform as advertised.
- 1058. As a direct and proximate result of GM's unfair or deceptive acts or practices, Arizona Plaintiff and the Arizona Sub-Class Members suffered and will continue to suffer injury in fact and/or actual damages.

- 1059. Arizona Plaintiff and the Arizona Sub-Class Members seek monetary relief against GM in an amount to be determined at trial.
- 1060. Arizona Plaintiff and the Arizona Sub-Class Members also seek punitive damages because GM engaged in aggravated and outrageous conduct with an evil mind.
- 1061. Arizona Plaintiff and the Arizona Sub-Class Members also seek an order enjoining GM's unfair, unlawful, and/or deceptive practices, attorneys' fees, and any other just and proper relief available under the Arizona CFA.

8. COUNT 8 BREACH OF EXPRESS WARRANTY ARIZ. REV. STAT. §§ 47-2313 AND 47-2A210

- 1062. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1063. Arizona Plaintiff brings this cause of action on her own behalf and on behalf of the members of the Arizona Sub-Class.
- 1064. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Ariz. Rev. Stat. §§ 47-2104(A) and 47-2a103(c); and a "seller" of motor vehicles under Ariz. Rev. Stat. § 47-2103(A)(4).
- 1065. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Ariz. Rev. Stat. § 47-2a103(A)(16).
- 1066. The Class Vehicles are and were at all relevant times "goods" within the meaning of Ariz. Rev. Stat. §§ 47-2105(A) and 47-2a103(A)(8).
- 1067. GM provided all purchasers and lessees of the Class Vehicles with the express warranty described herein, which became a material part of the bargain.
- 1068. GM provided all purchasers and lessees of Cadillac-branded Class Vehicles with the Cadillac Warranty and all purchasers and lessees of Chevrolet or GM-branded Class Vehicles with the Chevrolet/GM Warranty.

1069. Under the Warranties, GM expressly warranted the following: "The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Accordingly, the warranty covered all defects except for "slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Because the Transmission Defect does not fall into any of the above excluded categories, it is covered under GM's express warranty. GM agreed to provide such repairs "including towing, parts, and labor . . . at no charge" for up to 3 years or 36,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles and for up to 4 years or 50,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Bumper-to-Bumper Limited Warranties").

1070. Furthermore, under the Powertrain Component of the Warranties, GMC expressly warranted that the powertrain components listed therein, including the transmission and "all internally lubricated parts, case, torque converter, mounts, seals, and gaskets as well as any electrical components internal to the transmission/transaxle" and "any actuators directly connected to the transmission (slave cylinder, etc.)" are covered under the Warranties for up to 5 years or 60,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles, and for up to 6 years or 70,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Powertrain Warranties").

1071. GM manufactured and/or installed the 8L90 and 8L45 transmissions and the transmissions' component parts in the Class Vehicles, and the 8L90 and 8L45 transmissions and their component parts are covered by the express Warranties.

- 1072. The Transmission Defect at issue in this litigation was present at the time the Class Vehicles were sold or leased to Arizona Plaintiff and the Arizona Sub-Class Members.
- 1073. Plaintiffs relied on GM's express warranties, which were a material part of the bargain, when purchasing or leasing their Class Vehicles.
- 1074. Under the express Warranties, GM was obligated to correct the Transmission Defect in the vehicles owned or leased by Arizona Plaintiff and the Arizona Sub-Class Members.
- 1075. Although GM was obligated to correct the Transmission Defect, none of the attempted fixes to the transmissions are adequate under the terms of the Warranties, as they did not cure the defect.
- 1076. GM breached the express Warranties by performing illusory repairs. Rather than repairing the vehicles pursuant to the express Warranties, GM falsely informed Arizona Sub-Class Members that there was no problem with their Class Vehicles, performed ineffective procedures including software updates, and/or replaced defective components in the 8L90 and 8L45 transmissions with equally defective components, without actually repairing the Class Vehicles.
- 1077. GM and its agent dealers have failed and refused to conform the 8L90 and 8L45 transmissions to the express Warranties. GM's conduct, as discussed throughout this Complaint, has voided any attempt on its part to disclaim liability for its actions.
- 1078. Moreover, GM's attempt to disclaim or limit these express Warranties vis-à-vis consumers is unconscionable and unenforceable under the circumstances here. Specifically, GM's warranty limitation is unenforceable because it knowingly sold a defective product without informing consumers about the defect.
- 1079. The time limits contained in GM's warranty period were also unconscionable and inadequate to protect Arizona Plaintiff and the Arizona Sub-

Class Members. Among other things, Arizona Plaintiff and the Arizona Sub-Class Members had no meaningful choice in determining these time limitations, the terms of which unreasonably favored GM. A gross disparity in bargaining power existed between GM and the Class members, and GM knew or should have known that the Class Vehicles were defective at the time of sale.

1080. Arizona Plaintiff and the Arizona Sub-Class Members have complied with all obligations under the Warranties, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

1081. Arizona Plaintiff and the Arizona Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal and external sources.

1082. Because GM, through its conduct and exemplified by its own service bulletins, has covered repairs of the Transmission Defect if GM determines the repairs are appropriately covered under the Warranties, GM cannot now deny that the Warranties cover the Transmission Defect.

1083. Because GM has not been able to remedy the Transmission Defect, any limitation on remedies included in the Warranties causes the Warranties to fail their essential purposes, rendering them null and void.

1084. As a direct and proximate cause of GM's breach, Arizona Plaintiff and the Arizona Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Arizona Plaintiff and the Arizona Sub-Class

Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.

1085. As a direct and proximate result of GM's breach of express warranties, Arizona Plaintiff and the Arizona Sub-Class Members have been damaged in an amount to be determined at trial.

9. COUNT 9 BREACH OF THE IMPLIED WARRANTY OF MERCHANTABILITY ARIZ. REV. STAT. §§ 47-2314 AND 47-2A212

- 1086. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1087. Arizona Plaintiff brings this cause of action on her own behalf and on behalf of the members of the Arizona Sub-Class.
- 1088. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Ariz. Rev. Stat. §§ 47-2104(A) and 47-2a103(c); and a "seller" of motor vehicles under Ariz. Rev. Stat. § 47-2103(A)(4).
- 1089. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Ariz. Rev. Stat. § 47-2a103(A)(16).
- 1090. The Class Vehicles are and were at all relevant times "goods" within the meaning of Ariz. Rev. Stat. §§ 47-2105(A) and 47-2a103(A)(8).
- 1091. A warranty that the Class Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used is implied by law under Ariz. Rev. Stat. §§ 47-2314 and 47-2A212.
- 1092. GM knew or had reason to know of the specific use for which the Class Vehicles were purchased or leased. GM directly sold and marketed vehicles equipped with the 8L90 and 8L45 transmissions to customers through authorized dealers, like those from whom Arizona Plaintiff and the Arizona Sub-Class Members

bought or leased their vehicles, for the intended purpose of consumers purchasing the vehicles. GM knew that the Class Vehicles would and did pass unchanged from the authorized dealers to Arizona Plaintiff and the Arizona Sub-Class Members, with no modification to the defective transmissions.

1093. GM provided Plaintiffs and Class Members with an implied warranty that the Class Vehicles and their components and parts are merchantable and fit for the ordinary purposes for which they were sold.

1094. This implied warranty included, among other things: (i) a warranty that the Class Vehicles and their transmissions that were manufactured, supplied, distributed, and/or sold by GM were safe and reliable for providing transportation; and (ii) a warranty that the Class Vehicles and their transmissions would be fit for their intended use while the Class Vehicles were being operated.

1095. Contrary to the applicable implied warranties, the Class Vehicles and their transmissions at the time of sale and thereafter were not fit for their ordinary and intended purpose of providing Plaintiffs and Class Members with reliable, durable, and safe transportation. Instead, the Class Vehicles are defective, including, but not limited to, the defective design or manufacture of their transmissions and the existence of the Transmission Defect at the time of sale or lease and thereafter. GM knew of this defect at the time these sale or lease transactions occurred.

1096. As a result of GM's breach of the applicable implied warranties, Arizona Plaintiff and the Arizona Sub-Class Members of the Class Vehicles suffered an ascertainable loss of money, property, and/or value of their Class Vehicles. Additionally, as a result of the Transmission Defect, Arizona Plaintiff and the Arizona Sub-Class Members were harmed and suffered actual damages in that the Class Vehicles' transmission components are substantially certain to fail before their expected useful life has run.

1097. GM's actions, as complained of herein, breached the implied warranty that the Class Vehicles were of merchantable quality and fit for such use in violation of Ariz. Rev. Stat. §§ 47-2314 and 47-2A212.

1098. Arizona Plaintiff and the Arizona Sub-Class Members have complied with all obligations under the warranty, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

1099. Arizona Plaintiff and the Arizona Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal sources.

1100. As a direct and proximate cause of GM's breach, Arizona Plaintiff and the Arizona Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Arizona Plaintiff and the Arizona Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.

1101. As a direct and proximate result of GM's breach of the implied warranty of merchantability, Arizona Plaintiff and the Arizona Sub-Class Members have been damaged in an amount to be proven at trial.

C. Claims on Behalf of the Arkansas Sub-Class

10. COUNT 10 VIOLATION OF ARKANSAS DECEPTIVE TRADE PRACTICES ACT ARK. ANN. CODE § 4-88-101, *ET SEQ.*

1102. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.

1103. Plaintiff James Paul Browne ("Arkansas Plaintiff") brings this cause of action on his own behalf and on behalf of the members of the Arkansas Sub-Class.

1104. The Arkansas Deceptive Trade Practices Act ("Arkansas DTPA") prohibits "deceptive and unconscionable trade practices," including "knowingly making a false representation as to the characteristics . . . of goods or services." Ark. Code. Ann. § 4-88-107(a).

1105. GM participated in deceptive trade practices that violated the Arkansas DTPA described below and alleged throughout the Complaint. By failing to disclose the Transmission Defect, by concealing the Transmission Defect, by marketing its vehicles as safe, reliable, easily operable, efficient, and of high quality, and by presenting itself as a reputable manufacturer that valued safety, cleanliness, performance and efficiency, and stood behind its vehicles after they were sold, GM knowingly and intentionally misrepresented and omitted material facts in connection with the sale or lease of the Class Vehicles. GM systematically misrepresented, concealed, suppressed, or omitted material facts relating to the Class Vehicles and Transmission Defect in the course of its business.

1106. By systematically devaluing safety and concealing a plethora of defects in the 8L90 and 8L45 Transmissions and the Class Vehicles, GM engaged in unfair or deceptive practices prohibited by the Arkansas DTPA, including: (1) representing that the 8L90 and 8L45 Transmissions and the Class Vehicles have characteristics, uses, benefits, and qualities which they do not have; (2) representing that the 8L90 and 8L45 Transmissions and the Class Vehicles are of a particular standard, quality, and grade when they are not; and (3) advertising the 8L90 and 8L45 Transmissions and the Class Vehicles with the intent not to sell them as advertised.

1107. GM also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission of any material fact with intent that others rely upon such concealment,

suppression or omission, in connection with the sale of the Class Vehicles.

- 1108. GM's unfair and deceptive acts or practices occurred repeatedly in GM's trade or business, were capable of deceiving a substantial portion of the purchasing public and imposed a serious safety risk on the public.
- 1109. GM knew that the Class Vehicles and their transmissions suffered from an inherent defect, were defectively designed or manufactured, and were not suitable for their intended use.
- 1110. GM knew or should have known that its conduct violated the Arkansas DTPA.
- 1111. Arkansas Plaintiff and the Arkansas Sub-Class Members reasonably relied on GM's misrepresentations and omissions of material facts in its advertisements of the Class Vehicles and in the purchase of the Class Vehicles.
- 1112. Had Arkansas Plaintiff and the Arkansas Sub-Class Members known that the Class Vehicles would exhibit the Transmission Defect, they would not have purchased or leased the Class Vehicles or would have paid less for them. Plaintiffs did not receive the benefit of their bargain as a result of GM's misconduct.
- 1113. Arkansas Plaintiff and the Arkansas Sub-Class Members suffered injury in fact to a legally protected interest. As a result of GM's conduct, Arkansas Plaintiff and the Arkansas Sub-Class Members were harmed and suffered actual damages in the form of the diminished value of their vehicles.
- 1114. As a result of GM's conduct, Arkansas Plaintiff and the Arkansas Sub-Class Members were harmed and suffered actual damages as a result of GM's misrepresentations and omissions with regard to their Class Vehicles' transmissions because they purchased vehicles which do not perform as advertised.
- 1115. As a direct and proximate result of GM's unfair or deceptive acts or practices, Arkansas Plaintiff and the Arkansas Sub-Class Members suffered and will continue to suffer injury in fact and/or actual damages.

- 1116. Arkansas Plaintiff and the Arkansas Sub-Class Members seek monetary relief against GM in an amount to be determined at trial.
- 1117. Arkansas Plaintiff and the Arkansas Sub-Class Members also seek punitive damages because GM engaged in aggravated and outrageous conduct with an evil mind.
- 1118. Arkansas Plaintiff and the Arkansas Sub-Class Members also seek an order enjoining GM's unfair, unlawful, and/or deceptive practices, attorneys' fees, and any other just and proper relief available under the Arkansas DTPA.

11. COUNT 11 BREACH OF EXPRESS WARRANTY ARK. CODE ANN. §4-2-313

- 1119. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1120. Arkansas Plaintiff Browne brings this cause of action on his own behalf and on behalf of the members of the Arkansas Sub-Class.
- 1121. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Ark. Code Ann. § 4-2-104(1); and a "seller" of motor vehicles under Ark. Code Ann. § 4-2-103(1)(d).
- 1122. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Ark. Code Ann. § 4-90-403(9).
- 1123. The Class Vehicles are and were at all relevant times "goods" within the meaning of Ark. Code Ann. § 4-2-105.
- 1124. GM provided all purchasers and lessees of the Class Vehicles with the express warranty described herein, which became a material part of the bargain.
- 1125. GM provided all purchasers and lessees of Cadillac-branded Class Vehicles with the Cadillac Warranty and all purchasers and lessees of Chevrolet or GM-branded Class Vehicles with the Chevrolet/GM Warranty.

1126. Under the Warranties, GM expressly warranted the following: "The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Accordingly, the warranty covered all defects except for "slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Because the Transmission Defect does not fall into any of the above excluded categories, it is covered under GM's express warranty. GM agreed to provide such repairs "including towing, parts, and labor . . . at no charge" for up to 3 years or 36,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles and for up to 4 years or 50,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Bumper-to-Bumper Limited Warranties").

1127. Furthermore, under the Powertrain Component of the Warranties, GMC expressly warranted that the powertrain components listed therein, including the transmission and "all internally lubricated parts, case, torque converter, mounts, seals, and gaskets as well as any electrical components internal to the transmission/transaxle" and "any actuators directly connected to the transmission (slave cylinder, etc.)" are covered under the Warranties for up to 5 years or 60,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles, and for up to 6 years or 70,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Powertrain Warranties").

1128. GM manufactured and/or installed the 8L90 and 8L45 transmissions and the transmissions' component parts in the Class Vehicles, and the 8L90 and 8L45 transmissions and their component parts are covered by the express Warranties.

- 1129. The Transmission Defect at issue in this litigation was present at the time the Class Vehicles were sold or leased to Arkansas Plaintiff and the Arkansas Sub-Class Members.
- 1130. Plaintiffs relied on GM's express warranties, which were a material part of the bargain, when purchasing or leasing their Class Vehicles.
- 1131. Under the express Warranties, GM was obligated to correct the Transmission Defect in the vehicles owned or leased by Arkansas Plaintiff and the Arkansas Sub-Class Members.
- 1132. Although GM was obligated to correct the Transmission Defect, none of the attempted fixes to the transmissions are adequate under the terms of the Warranties, as they did not cure the defect.
- 1133. GM breached the express Warranties by performing illusory repairs. Rather than repairing the vehicles pursuant to the express Warranties, GM falsely informed Arkansas Sub-Class Members that there was no problem with their Class Vehicles, performed ineffective procedures including software updates, and/or replaced defective components in the 8L90 and 8L45 transmissions with equally defective components, without actually repairing the Class Vehicles.
- 1134. GM and its agent dealers have failed and refused to conform the 8L90 and 8L45 transmissions to the express Warranties. GM's conduct, as discussed throughout this Complaint, has voided any attempt on its part to disclaim liability for its actions.
- 1135. Moreover, GM's attempt to disclaim or limit these express Warranties vis-à-vis consumers is unconscionable and unenforceable under the circumstances here. Specifically, GM's warranty limitation is unenforceable because it knowingly sold a defective product without informing consumers about the defect.
- 1136. The time limits contained in GM's warranty period were also unconscionable and inadequate to protect Arkansas Plaintiff and the Arkansas Sub-

Class Members. Among other things, Arkansas Plaintiff and the Arkansas Sub-Class Members had no meaningful choice in determining these time limitations, the terms of which unreasonably favored GM. A gross disparity in bargaining power existed between GM and the Class members, and GM knew or should have known that the Class Vehicles were defective at the time of sale.

- 1137. Arkansas Plaintiff and the Arkansas Sub-Class Members have complied with all obligations under the Warranties, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.
- 1138. Arkansas Plaintiff and the Arkansas Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal and external sources.
- 1139. Because GM, through its conduct and exemplified by its own service bulletins, has covered repairs of the Transmission Defect if GM determines the repairs are appropriately covered under the Warranties, GM cannot now deny that the Warranties cover the Transmission Defect.
- 1140. Because GM has not been able to remedy the Transmission Defect, any limitation on remedies included in the Warranties causes the Warranties to fail their essential purposes, rendering them null and void.
- 1141. As a direct and proximate cause of GM's breach, Arkansas Plaintiff and the Arkansas Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Arkansas Plaintiff and the Arkansas Sub-Class

Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.

1142. As a direct and proximate result of GM's breach of express warranties, Arkansas Plaintiff and the Arkansas Sub-Class Members have been damaged in an amount to be determined at trial.

12. COUNT 12 BREACH OF IMPLIED WARRANTY OF MERCHANTIBILITY ARK. CODE ANN. §4-2-314

- 1143. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1144. Arkansas Plaintiff brings this cause of action on her own behalf and on behalf of the members of the Arkansas Sub-Class.
- 1145. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Ark. Code Ann. § 4-2-104(1); and a "seller" of motor vehicles under Ark. Code Ann. § 4-2-103(1)(d).
- 1146. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Ark. Code Ann. § 4-90-403(9).
- 1147. The Class Vehicles are and were at all relevant times "goods" within the meaning of Ark. Code Ann. §4-2-105.
- 1148. A warranty that the Class Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used is implied by law under Ark. Code Ann. § 4-2-314.
- 1149. GM knew or had reason to know of the specific use for which the Class Vehicles were purchased or leased. GM directly sold and marketed vehicles equipped with the 8L90 and 8L45 transmissions to customers through authorized dealers, like those from whom Arkansas Plaintiff and the Arkansas Sub-Class

Members bought or leased their vehicles, for the intended purpose of consumers purchasing the vehicles. GM knew that the Class Vehicles would and did pass unchanged from the authorized dealers to Arkansas Plaintiff and the Arkansas Sub-Class Members, with no modification to the defective transmissions.

- 1150. GM provided Plaintiffs and Class Members with an implied warranty that the Class Vehicles and their components and parts are merchantable and fit for the ordinary purposes for which they were sold.
- 1151. This implied warranty included, among other things: (i) a warranty that the Class Vehicles and their transmissions that were manufactured, supplied, distributed, and/or sold by GM were safe and reliable for providing transportation; and (ii) a warranty that the Class Vehicles and their transmissions would be fit for their intended use while the Class Vehicles were being operated.
- 1152. Contrary to the applicable implied warranties, the Class Vehicles and their transmissions at the time of sale and thereafter were not fit for their ordinary and intended purpose of providing Plaintiffs and Class Members with reliable, durable, and safe transportation. Instead, the Class Vehicles are defective, including, but not limited to, the defective design or manufacture of their transmissions and the existence of the Transmission Defect at the time of sale or lease and thereafter. GM knew of this defect at the time these sale or lease transactions occurred.
- 1153. As a result of GM's breach of the applicable implied warranties, Arkansas Plaintiff and the Arkansas Sub-Class Members of the Class Vehicles suffered an ascertainable loss of money, property, and/or value of their Class Vehicles. Additionally, as a result of the Transmission Defect, Arkansas Plaintiff and the Arkansas Sub-Class Members were harmed and suffered actual damages in that the Class Vehicles' transmission components are substantially certain to fail before their expected useful life has run.

- 1154. GM's actions, as complained of herein, breached the implied warranty that the Class Vehicles were of merchantable quality and fit for such use in violation of Ark. Code Ann. § 4-2-314.
- 1155. Arkansas Plaintiff and the Arkansas Sub-Class Members have complied with all obligations under the warranty, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.
- 1156. Arkansas Plaintiff and the Arkansas Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal sources.
- 1157. As a direct and proximate cause of GM's breach, Arkansas Plaintiff and the Arkansas Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Arkansas Plaintiff and the Arkansas Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.
- 1158. As a direct and proximate result of GM's breach of the implied warranty of merchantability, Arkansas Plaintiff and the Arkansas Sub-Class Members have been damaged in an amount to be proven at trial.

D. Claims on Behalf of the California Sub-Class

13. COUNT 13 VIOLATION OF CALIFORNIA CONSUMER LEGAL REMEDIES ACT CAL. CIV. CODE § 1750, ET SEQ.

1159. Plaintiffs incorporate by reference and re-allege the allegations

contained in paragraphs 1-950 of this Complaint.

- 1160. Plaintiffs Clyde Cheng and Wesley Won ("California Plaintiffs") bring this cause of action on their own behalf and on behalf of the members of the California Sub-Class.
 - 1161. Defendant is a "person" as defined by California Civil Code § 1761(c).
- 1162. California Plaintiffs and California Sub-class Members are "consumers" within the meaning of California Civil Code § 1761(d) because they purchased their Class Vehicles primarily for personal, family, or household use.
- 1163. By failing to disclose and concealing the defective nature of the transmissions from California Plaintiffs and California Sub-class Members, Defendant violated California Civil Code § 1770(a), as it represented that the Class Vehicles and their transmissions had characteristics and benefits that they do not have and represented that the Class Vehicles and their transmissions were of a particular standard, quality, or grade when they were of another. *See* Cal. Civ. Code §§ 1770(a)(5) & (7).
- 1164. Defendant's unfair and deceptive acts or practices occurred repeatedly in Defendant's trade or business, were capable of deceiving a substantial portion of the purchasing public and imposed a serious safety risk on the public.
- 1165. Defendant knew that the Class Vehicles and their transmissions suffered from an inherent defect, were defectively designed or manufactured, and were not suitable for their intended use.
- 1166. Because of their reliance on Defendant's omissions, owners and/or lessees of the Class Vehicles, including California Plaintiffs and California Subclass Members, suffered an ascertainable loss of money, property, and/or value of their Class Vehicles. Additionally, because of the Transmission Defect California Plaintiffs and California Sub-class Members were harmed and suffered actual damages in that the Class Vehicles' transmissions are substantially certain to fail

before their expected useful life has run.

- 1167. Defendant was under a duty to California Plaintiffs and California Subclass Members to disclose the defective nature of the transmissions and/or the associated repair costs because:
- (a) Defendant was in a superior position to know the true state of facts about the safety defect in the Class Vehicles' transmissions;
- (b) California Plaintiffs and California Sub-class Members could not reasonably have been expected to learn or discover that their transmissions had a dangerous safety defect until it manifested; and
- (c) Defendant knew that California Plaintiffs and California Sub-class Members could not reasonably have been expected to learn of or discover the safety defect.
- 1168. In failing to disclose the defective nature of transmissions, Defendant knowingly and intentionally concealed material facts and breached its duty not to do so.
- 1169. The facts Defendant concealed from or failed to disclose to California Plaintiffs and California Sub-class Members are material in that a reasonable consumer would have considered them to be important in deciding whether to purchase or lease the Class Vehicles or pay less. Had California Plaintiffs and California Sub-class Members known that the Class Vehicles' transmissions were defective, they would not have purchased or leased the Class Vehicles or would have paid less for them.
- 1170. California Plaintiffs and California Sub-class Members are reasonable consumers who do not expect the transmissions installed in their vehicles to exhibit problems such as the Transmission Defect. This is the reasonable and objective consumer expectation relating to a vehicle's transmissions.
 - 1171. Because of Defendant's conduct, California Plaintiffs and California

Sub-class Members were harmed and suffered actual damages in that, on information and belief, the Class Vehicles experienced and will continue to experience problems such as the Transmission Defect.

- 1172. As a direct and proximate result of Defendant's unfair or deceptive acts or practices, California Plaintiffs and California Sub-class Members suffered and will continue to suffer actual damages.
- 1173. California Plaintiffs and California Sub-class Members are entitled to equitable relief.
- 1174. California Plaintiffs and California Sub-class Members provided Defendant with notice of its violations of the CLRA pursuant to California Civil Code § 1782(a). Defendant has failed to provide appropriate relief for its violations of the CLRA within 30 days, Plaintiffs now seek monetary, compensatory, and punitive damages.

14. COUNT 14 VIOLATION OF CALIFORNIA BUS. & PROF. CODE §17200, ET SEQ.

- 1175. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1176. California Plaintiffs bring this cause of action on his own behalf and on behalf of the members of the California Sub-Class.
- 1177. Because of their reliance on Defendant's omissions, owners and/or lessees of the Class Vehicles, including California Plaintiffs and California Subclass Members, suffered an ascertainable loss of money, property, and/or value of their Class Vehicles. Additionally, because of the Transmission Defect, California Plaintiffs and California Sub-class Members were harmed and suffered actual damages in that the Class Vehicles' transmissions are substantially certain to fail before their expected useful life has run.

- 1178. California Business & Professions Code § 17200 prohibits acts of "unfair competition," including any "unlawful, unfair or fraudulent business act or practice" and "unfair, deceptive, untrue or misleading advertising."
- 1179. California Plaintiffs and California Sub-class Members are reasonable consumers who do not expect their transmissions to be defective.
- 1180. Defendant knew the Class Vehicles and their transmissions were defectively designed or manufactured, would fail prematurely, and were not suitable for their intended use.
- 1181. In failing to disclose the Transmission Defect, Defendant has knowingly and intentionally concealed material facts and breached its duty not to do so.
- 1182. Defendant was under a duty to California Plaintiffs and California Subclass Members to disclose the defective nature of the Class Vehicles and their transmissions because:
- (a) Defendant was in a superior position to know the true state of facts about the safety defect in the Class Vehicles' transmissions; and
- (b) Defendant actively concealed the defective nature of the Class Vehicles and their transmissions from California Plaintiffs and California Sub-class Members.
- 1183. The facts Defendant concealed from or failed to disclose to California Plaintiffs and California Sub-class Members are material in that a reasonable person would have considered them to be important in deciding whether to purchase or lease Class Vehicles. Had they known of the Transmission Defect, California Plaintiffs and California Sub-class Members would have paid less for Class Vehicles equipped with the subject transmissions or would not have purchased or leased them at all.
- 1184. Defendant continued to conceal the defective nature of the Class Vehicles and their transmissions even after Class Members began to report

problems.

- 1185. Defendant's conduct was and is likely to deceive consumers.
- 1186. Defendant's acts, conduct, and practices were unlawful, in that they constituted:
 - (a) Violations of California's Consumers Legal Remedies Act;
 - (b) Violations of the Song-Beverly Consumer Warranty Act;
 - (c) Violations of the Magnuson-Moss Warranty Act; and
- (d) Breach of Express Warranty under California Commercial Code section 2313.
- 1187. By its conduct, Defendant has engaged in unfair competition and unlawful, unfair, and fraudulent business practices.
- 1188. Defendant's unfair or deceptive acts or practices occurred repeatedly in Defendant's trade or business and were capable of deceiving a substantial portion of the purchasing public.
- 1189. As a direct and proximate result of Defendant's unfair and deceptive practices, California Plaintiffs and California Sub-class Members have suffered and will continue to suffer actual damages.
- 1190. Defendant has been unjustly enriched and should be required to make restitution to California Plaintiffs and California Sub-class Members to §§ 17203 and 17204 of the Business & Professions Code.

15. COUNT 15 BREACH OF IMPLIED WARRANTY PURSUANT TO THE SONG-BEVERLY CONSUMER WARRANTY ACT CAL. CIV. CODE §§ 1792 AND 1791.1, ET SEQ.

1191. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.

- 1192. California Plaintiffs bring this cause of action on his own behalf and on behalf of the members of the California Sub-Class.
- 1193. California Plaintiffs and the California Sub-Class Members are "buyers" within the meaning of Cal. Civ. Code § 1791(b).
- 1194. GM is and was at all relevant times a "manufacturer" within the meaning of Cal. Civ. Code § 1791(j).
- 1195. The Class Vehicles are and were at all relevant times "are "consumer goods" within the meaning of Cal. Civ. Code § 1791(a).
- 1196. A warranty that the Class Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used is implied by law under Cal. Civ. Code §§ 1791.1(a) & 1792.
- 1197. GM knew or had reason to know of the specific use for which the Class Vehicles were purchased or leased. GM directly sold and marketed vehicles equipped with the 8L90 and 8L45 transmissions to customers through authorized dealers, like those from whom California Plaintiffs and the California Sub-Class Members bought or leased their vehicles, for the intended purpose of consumers purchasing the vehicles. GM knew that the Class Vehicles would and did pass unchanged from the authorized dealers to California Plaintiffs and the California Sub-Class Members, with no modification to the defective transmissions.
- 1198. GM provided Plaintiffs and Class Members with an implied warranty that the Class Vehicles and their components and parts are merchantable and fit for the ordinary purposes for which they were sold.
- 1199. This implied warranty included, among other things: (i) a warranty that the Class Vehicles and their transmissions that were manufactured, supplied, distributed, and/or sold by GM were safe and reliable for providing transportation; and (ii) a warranty that the Class Vehicles and their transmissions would be fit for their intended use while the Class Vehicles were being operated.

1200. Contrary to the applicable implied warranties, the Class Vehicles and their transmissions at the time of sale and thereafter were not fit for their ordinary and intended purpose of providing Plaintiffs and Class Members with reliable, durable, and safe transportation. Instead, the Class Vehicles are defective, including, but not limited to, the defective design or manufacture of their transmissions and the existence of the Transmission Defect at the time of sale or lease and thereafter. GM knew of this defect at the time these sale or lease transactions occurred.

1201. As a result of GM's breach of the applicable implied warranties, California Plaintiffs and the California Sub-Class Members of the Class Vehicles suffered an ascertainable loss of money, property, and/or value of their Class Vehicles. Additionally, as a result of the Transmission Defect, California Plaintiffs and the California Sub-Class Members were harmed and suffered actual damages in that the Class Vehicles' transmission components are substantially certain to fail before their expected useful life has run.

1202. GM's actions, as complained of herein, breached the implied warranty that the Class Vehicles were of merchantable quality and fit for such use in violation of violation of California Civil Code §§ 1792 and 1791.1.

1203. California Plaintiffs and the California Sub-Class Members have complied with all obligations under the warranty, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

1204. California Plaintiffs and the California Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal sources.

1205. As a direct and proximate cause of GM's breach, California Plaintiffs and the California Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, California Plaintiffs and the California Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.

1206. As a direct and proximate result of GM's breach of the implied warranty of merchantability, California Plaintiffs and the California Sub-Class Members have been damaged in an amount to be proven at trial.

16. COUNT 16 BREACH OF EXPRESS WARRANTY CAL. COM. CODE §§ 2313 AND 10210

- 1207. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1208. California Plaintiffs bring this cause of action on his own behalf and on behalf of the members of the California Sub-Class.
- 1209. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Cal. Com. Code §§ 2104(1) and 10103(c), and a "seller" of motor vehicles under § 2103(1)(d).
- 1210. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Cal. Com. Code § 10103(a)(16).
- 1211. The Class Vehicles are and were at all relevant times "goods" within the meaning of Cal. Com. Code §§ 2105(1) and 10103(a)(8).
- 1212. GM provided all purchasers and lessees of the Class Vehicles with the express warranty described herein, which became a material part of the bargain.

1213. GM provided all purchasers and lessees of Cadillac-branded Class Vehicles with the Cadillac Warranty and all purchasers and lessees of Chevrolet or GM-branded Class Vehicles with the Chevrolet/GM Warranty.

1214. Under the Warranties, GM expressly warranted the following: "The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Accordingly, the warranty covered all defects except for "slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Because the Transmission Defect does not fall into any of the above excluded categories, it is covered under GM's express warranty. GM agreed to provide such repairs "including towing, parts, and labor . . . at no charge" for up to 3 years or 36,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles and for up to 4 years or 50,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Bumper-to-Bumper Limited Warranties").

1215. Furthermore, under the Powertrain Component of the Warranties, GMC expressly warranted that the powertrain components listed therein, including the transmission and "all internally lubricated parts, case, torque converter, mounts, seals, and gaskets as well as any electrical components internal to the transmission/transaxle" and "any actuators directly connected to the transmission (slave cylinder, etc.)" are covered under the Warranties for up to 5 years or 60,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles, and for up to 6 years or 70,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Powertrain Warranties").

1216. GM manufactured and/or installed the 8L90 and 8L45 transmissions and the transmissions' component parts in the Class Vehicles, and the 8L90 and

- 8L45 transmissions and their component parts are covered by the express Warranties.
- 1217. The Transmission Defect at issue in this litigation was present at the time the Class Vehicles were sold or leased to California Plaintiffs and the California Sub-Class Members.
- 1218. Plaintiffs relied on GM's express warranties, which were a material part of the bargain, when purchasing or leasing their Class Vehicles.
- 1219. Under the express Warranties, GM was obligated to correct the Transmission Defect in the vehicles owned or leased by California Plaintiffs and the California Sub-Class Members.
- 1220. Although GM was obligated to correct the Transmission Defect, none of the attempted fixes to the transmissions are adequate under the terms of the Warranties, as they did not cure the defect.
- 1221. GM breached the express Warranties by performing illusory repairs. Rather than repairing the vehicles pursuant to the express Warranties, GM falsely informed California Sub-Class Members that there was no problem with their Class Vehicles, performed ineffective procedures including software updates, and/or replaced defective components in the 8L90 and 8L45 transmissions with equally defective components, without actually repairing the Class Vehicles.
- 1222. GM and its agent dealers have failed and refused to conform the 8L90 and 8L45 transmissions to the express Warranties. GM's conduct, as discussed throughout this Complaint, has voided any attempt on its part to disclaim liability for its actions.
- 1223. Moreover, GM's attempt to disclaim or limit these express Warranties vis-à-vis consumers is unconscionable and unenforceable under the circumstances here. Specifically, GM's warranty limitation is unenforceable because it knowingly sold a defective product without informing consumers about the defect.

- 1224. The time limits contained in GM's warranty period were also unconscionable and inadequate to protect California Plaintiffs and the California Sub-Class Members. Among other things, California Plaintiffs and the California Sub-Class Members had no meaningful choice in determining these time limitations, the terms of which unreasonably favored GM. A gross disparity in bargaining power existed between GM and the Class members, and GM knew or should have known that the Class Vehicles were defective at the time of sale.
- 1225. California Plaintiffs and the California Sub-Class Members have complied with all obligations under the Warranties, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.
- 1226. California Plaintiffs and the California Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal and external sources.
- 1227. Because GM, through its conduct and exemplified by its own service bulletins, has covered repairs of the Transmission Defect if GM determines the repairs are appropriately covered under the Warranties, GM cannot now deny that the Warranties cover the Transmission Defect.
- 1228. Because GM has not been able to remedy the Transmission Defect, any limitation on remedies included in the Warranties causes the Warranties to fail their essential purposes, rendering them null and void.
- 1229. As a direct and proximate cause of GM's breach, California Plaintiffs and the California Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution

of value of their Class Vehicles. Additionally, California Plaintiffs and the California Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.

1230. California Plaintiffs and the California Sub-Class Members have been damaged in an amount to be determined at trial. Plaintiffs and the other Class Members are entitled to legal and equitable relief against GM, including actual damages, consequential damages, specific performance, attorneys' fees, costs of suit, and other relief as appropriate.

E.Claims on Behalf of the Colorado Sub-Class

17. COUNT 17 Violation OF THE COLORADO CONSUMER PROTECTION ACT COLO. REV. STAT. § 6-1-101, ET SEQ.

- 1231. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1232. Plaintiff Daniel Drain ("Colorado Plaintiff") brings this cause of action on his own behalf and on behalf of the members of the Colorado Sub-Class.
- 1233. GM is a "person" within the meaning of the Colorado Consumer Protection Act ("CCPA"), Colo. Rev. Stat. § 6-1-102.
- 1234. The CCPA prohibits a person from engaging in a "deceptive trade practice," including "knowingly mak[ing] a false representation as to the characteristics, ingredients, uses, benefits, alterations, or quantities of goods [...];" "represent[ing] that goods, good, services, or property are of a particular standard, quality, or grade, [...] if he knows or should know that they are of another;" and "advertis[ing] goods, services, or property with intent not to sell them as advertised." Colo. Rev. Stat. § 6-1-105(1)(e), (g), and (i).
 - 1235. GM participated in deceptive trade practices that violated the CCPA as

described below and alleged throughout the Complaint. By failing to disclose the Transmission Defect, by concealing the Transmission Defect, by marketing its vehicles as safe, reliable, easily operable, efficient, and of high quality, and by presenting itself as a reputable manufacturer that valued safety, cleanliness, performance and efficiency, and stood behind its vehicles after they were sold, GM knowingly and intentionally misrepresented and omitted material facts in connection with the sale or lease of the Class Vehicles. GM systematically misrepresented, concealed, suppressed, or omitted material facts relating to the Class Vehicles and Transmission Defect in the course of its business.

- 1236. GM also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale of the Class Vehicles.
- 1237. GM's unfair and deceptive acts or practices occurred repeatedly in GM's trade or business, were capable of deceiving a substantial portion of the purchasing public, and imposed a serious safety risk on the public.
- 1238. GM knew that the Class Vehicles and their transmissions suffered from an inherent defect, were defectively designed or manufactured, and were not suitable for their intended use.
 - 1239. GM knew or should have known that its conduct violated the CCPA.
- 1240. Colorado Plaintiff and the Colorado Sub-Class Members reasonably relied on GM's misrepresentations and omissions of material facts in its advertisements of the Class Vehicles and in the purchase of the Class Vehicles.
- 1241. Had Colorado Plaintiff and the Colorado Sub-Class Members known that the Class Vehicles would exhibit the Transmission Defect, they would not have purchased or leased the Class Vehicles, or would have paid less for them. Plaintiffs did not receive the benefit of their bargain as a result of GM's misconduct.

- 1242. Colorado Plaintiff and the Colorado Sub-Class Members suffered injury in fact to a legally protected interest. As a result of GM's conduct, Colorado Plaintiff and the Colorado Sub-Class Members were harmed and suffered actual damages in the form of the diminished value of their vehicles.
- 1243. As a result of GM's conduct, Colorado Plaintiff and the Colorado Sub-Class Members were harmed and suffered actual damages as a result of GM's misrepresentations and omissions with regard to their Class Vehicles' transmissions because they purchased vehicles which do not perform as advertised.
- 1244. As a direct and proximate result of GM's unfair or deceptive acts or practices, Colorado Plaintiff and the Colorado Sub-Class Members suffered and will continue to suffer injury in fact and/or actual damages.
- 1245. Colorado Plaintiff and the Colorado Sub-Class Members seek damages in an amount to be proven at trial, including but not limited to actual damages, under the CCPA.

18. COUNT 18 BREACH OF EXPRESS WARRANTY COLO. REV. STAT. §§ 4-2-313 AND 4-2.5-210

- 1246. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1247. Colorado Plaintiff brings this cause of action on his own behalf and on behalf of the members of the Colorado Sub-Class.
- 1248. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Colo. Rev. Stat. §§ 4-2-104(1) and 4-2.5-103(3), and a "seller" of motor vehicles under § 4-2-103(1)(d).
- 1249. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Colo. Rev. Stat. § 4-2.5-103(1)(p).
 - 1250. The Class Vehicles are and were at all relevant times "goods" within

the meaning of Colo. Rev. Stat. §§ 4-2-105(1) and 4-2.5-103(1)(h).

1251. GM provided all purchasers and lessees of the Class Vehicles with the express warranty described herein, which became a material part of the bargain.

1252. GM provided all purchasers and lessees of Cadillac-branded Class Vehicles with the Cadillac Warranty and all purchasers and lessees of Chevrolet or GM-branded Class Vehicles with the Chevrolet/GM Warranty.

1253. Under the Warranties, GM expressly warranted the following: "The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Accordingly, the warranty covered all defects except for "slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Because the Transmission Defect does not fall into any of the above excluded categories, it is covered under GM's express warranty. GM agreed to provide such repairs "including towing, parts, and labor . . . at no charge" for up to 3 years or 36,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles and for up to 4 years or 50,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Bumper-to-Bumper Limited Warranties").

1254. Furthermore, under the Powertrain Component of the Warranties, GMC expressly warranted that the powertrain components listed therein, including the transmission and "all internally lubricated parts, case, torque converter, mounts, seals, and gaskets as well as any electrical components internal to the transmission/transaxle" and "any actuators directly connected to the transmission (slave cylinder, etc.)" are covered under the Warranties for up to 5 years or 60,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles, and for up to 6 years or 70,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Powertrain Warranties").

- 1255. GM manufactured and/or installed the 8L90 and 8L45 transmissions and the transmissions' component parts in the Class Vehicles, and the 8L90 and 8L45 transmissions and their component parts are covered by the express Warranties.
- 1256. The Transmission Defect at issue in this litigation was present at the time the Class Vehicles were sold or leased to Colorado Plaintiff and the Colorado Sub-Class Members.
- 1257. Plaintiffs relied on GM's express warranties, which were a material part of the bargain, when purchasing or leasing their Class Vehicles.
- 1258. Under the express Warranties, GM was obligated to correct the Transmission Defect in the vehicles owned or leased by Colorado Plaintiff and the Colorado Sub-Class Members.
- 1259. Although GM was obligated to correct the Transmission Defect, none of the attempted fixes to the transmissions are adequate under the terms of the Warranties, as they did not cure the defect.
- 1260. GM breached the express Warranties by performing illusory repairs. Rather than repairing the vehicles pursuant to the express Warranties, GM falsely informed Colorado Sub-Class Members that there was no problem with their Class Vehicles, performed ineffective procedures including software updates, and/or replaced defective components in the 8L90 and 8L45 transmissions with equally defective components, without actually repairing the Class Vehicles.
- 1261. GM and its agent dealers have failed and refused to conform the 8L90 and 8L45 transmissions to the express Warranties. GM's conduct, as discussed throughout this Complaint, has voided any attempt on its part to disclaim liability for its actions.
- 1262. Moreover, GM's attempt to disclaim or limit these express Warranties vis-à-vis consumers is unconscionable and unenforceable under the circumstances

here. Specifically, GM's warranty limitation is unenforceable because it knowingly sold a defective product without informing consumers about the defect.

1263. The time limits contained in GM's warranty period were also unconscionable and inadequate to protect Colorado Plaintiff and the Colorado Sub-Class Members. Among other things, Colorado Plaintiff and the Colorado Sub-Class Members had no meaningful choice in determining these time limitations, the terms of which unreasonably favored GM. A gross disparity in bargaining power existed between GM and the Class members, and GM knew or should have known that the Class Vehicles were defective at the time of sale.

1264. Colorado Plaintiff and the Colorado Sub-Class Members have complied with all obligations under the Warranties, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

1265. Colorado Plaintiff and the Colorado Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal and external sources.

1266. Because GM, through its conduct and exemplified by its own service bulletins, has covered repairs of the Transmission Defect if GM determines the repairs are appropriately covered under the Warranties, GM cannot now deny that the Warranties cover the Transmission Defect.

1267. Because GM has not been able to remedy the Transmission Defect, any limitation on remedies included in the Warranties causes the Warranties to fail their essential purposes, rendering them null and void.

1268. As a direct and proximate cause of GM's breach, Colorado Plaintiff and

the Colorado Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Colorado Plaintiff and the Colorado Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.

1269. As a direct and proximate result of GM's breach of express warranties, Colorado Plaintiff and the Colorado Sub-Class Members have been damaged in an amount to be determined at trial.

19. COUNT 19 BREACH OF THE IMPLIED WARRANTY OF MERCHANTABILITY COLO. REV. STAT. §§ 4-2-313 AND 4-2.5-212

- 1270. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1271. Colorado Plaintiff brings this cause of action on his own behalf and on behalf of the members of the Colorado Sub-Class.
- 1272. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Colo. Rev. Stat. §§ 4-2-104(1) and 4-2.5-103(3), and a "seller" of motor vehicles under § 4-2-103(1)(d).
- 1273. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Colo. Rev. Stat. § 4-2.5-103(1)(p).
- 1274. The Class Vehicles are and were at all relevant times "goods" within the meaning of Colo. Rev. Stat. §§ 4-2-105(1) and 4-2.5-103(1)(h).
- 1275. A warranty that the Class Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used is implied by law under Colo. Rev. Stat. §§ 4-2-313 and 4-2.5-212.
 - 1276. GM knew or had reason to know of the specific use for which the Class

Vehicles were purchased or leased. GM directly sold and marketed vehicles equipped with the 8L90 and 8L45 transmissions to customers through authorized dealers, like those from whom Colorado Plaintiff and the Colorado Sub-Class Members bought or leased their vehicles, for the intended purpose of consumers purchasing the vehicles. GM knew that the Class Vehicles would and did pass unchanged from the authorized dealers to Colorado Plaintiff and the Colorado Sub-Class Members, with no modification to the defective transmissions.

1277. GM provided Plaintiffs and Class Members with an implied warranty that the Class Vehicles and their components and parts are merchantable and fit for the ordinary purposes for which they were sold.

1278. This implied warranty included, among other things: (i) a warranty that the Class Vehicles and their transmissions that were manufactured, supplied, distributed, and/or sold by GM were safe and reliable for providing transportation; and (ii) a warranty that the Class Vehicles and their transmissions would be fit for their intended use while the Class Vehicles were being operated.

1279. Contrary to the applicable implied warranties, the Class Vehicles and their transmissions at the time of sale and thereafter were not fit for their ordinary and intended purpose of providing Plaintiffs and Class Members with reliable, durable, and safe transportation. Instead, the Class Vehicles are defective, including, but not limited to, the defective design or manufacture of their transmissions and the existence of the Transmission Defect at the time of sale or lease and thereafter. GM knew of this defect at the time these sale or lease transactions occurred.

1280. As a result of GM's breach of the applicable implied warranties, Colorado Plaintiff and the Colorado Sub-Class Members of the Class Vehicles suffered an ascertainable loss of money, property, and/or value of their Class Vehicles. Additionally, as a result of the Transmission Defect, Colorado Plaintiff and the Colorado Sub-Class Members were harmed and suffered actual damages in

that the Class Vehicles' transmission components are substantially certain to fail before their expected useful life has run.

- 1281. GM's actions, as complained of herein, breached the implied warranty that the Class Vehicles were of merchantable quality and fit for such use in violation of Colo. Rev. Stat. §§ 4-2-313 and 4-2.5-212.
- 1282. Colorado Plaintiff and the Colorado Sub-Class Members have complied with all obligations under the warranty, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.
- 1283. Colorado Plaintiff and the Colorado Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal sources.
- 1284. As a direct and proximate cause of GM's breach, Colorado Plaintiff and the Colorado Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Colorado Plaintiff and the Colorado Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.
- 1285. As a direct and proximate result of GM's breach of the implied warranty of merchantability, Colorado Plaintiff and the Colorado Sub-Class Members have been damaged in an amount to be proven at trial.

F. Claims on Behalf of the Connecticut Sub-Class

20. COUNT 20 VIOLATION OF THE CONNECTICUT UNLAWFUL TRADE PRACTICES ACT CONN. GEN. STAT. § 42-110A, ET SEQ.

- 1286. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1287. Plaintiff Kevin Wesley ("Connecticut Plaintiff") brings this cause of action on his own behalf and on behalf of the members of the Connecticut Sub-Class.
- 1288. GM, Connecticut Plaintiff, and Connecticut Class members are "persons" within the meaning of Conn. Gen. Stat. § 42-110a(3) of the Connecticut Unfair Trade Practices Act ("Connecticut UTPA").
- 1289. GM engaged in "trade" or "commerce" within the meaning of Conn. Gen. Stat. § 42-110a(4).
- 1290. The Connecticut UTPA provides: "No person shall engage in unfair methods of competition and unfair or deceptive acts or practices in the conduct of any trade or commerce." Conn. Gen. Stat. § 42-110b(a).
- 1291. GM concealed the fact that Class Vehicles had defective transmissions that made them unsafe to drive and told various GM dealers and service technicians that the vehicles were operating "as [d]esigned" and that the symptoms were "normal" (if widespread enough). These GM dealers and service technicians passed this misinformation onto Class Members, as evidenced by the various consumer complaints alleging that someone—such as a GM "dealer" or "service manager"—told them that the defect's symptoms were "normal."
- 1292. GM violated the Connecticut UTPA by, at minimum, representing that the Class Vehicles have characteristics, uses, benefits, and qualities which they do not have; representing that the Class Vehicles are of a particular standard and quality when they are not; advertising the Class Vehicles with the intent not to sell them as

advertised; and omitting material facts in describing the Class Vehicles.

1293. GM's acts and practices, as described throughout this Complaint, constitute "unfair methods of competition or deceptive acts or practices in the conduct of any trade or commerce" by GM, that are unlawful, as enumerated in Conn. Gen. Stat. § 42-110b(a)

1294. GM intentionally and knowingly misrepresented material facts regarding the Class Vehicles with the intent to mislead the Connecticut Plaintiff and the Connecticut Sub-Class.

1295. GM knew or should have known that its conducted violated the Connecticut UTPA.

1296. GM's fraudulent concealment of the true characteristics of the defective transmissions in the Class Vehicles were material to the Connecticut Plaintiff and Class members.

1297. GM's violations present a continuing risk to Plaintiffs as well as to the general public. GM's unlawful acts and practices complained of herein affect the public interest.

1298. GM had an ongoing duty to its customers to refrain from unfair and deceptive practices under the Connecticut UTPA. All owners of Class Vehicles suffered ascertainable loss in the form of the diminished value of their vehicles as a result of GM's deceptive and unfair acts and practices made in the course of GM's business.

1299. As a direct and proximate result of GM's violations of the Connecticut UTPA, the Connecticut Plaintiff and the Class have suffered injury-in-fact and/or actual damage.

1300. Pursuant to Conn. Gen. Stat. § 42-110g, Connecticut Plaintiff and the Connecticut Sub-Class seek an order enjoining GM's unfair and/or deceptive acts or practices, and awarding damages, punitive damages, attorneys' fees and costs, and

any other just and proper relief available under the Connecticut UTPA.

21. COUNT 21 BREACH OF EXPRESS WARRANTY CONN. GEN. STAT. ANN. § 42A-2-313

- 1301. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1302. Connecticut Plaintiff brings this cause of action on his own behalf and on behalf of the members of the Connecticut Sub-Class.
- 1303. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Conn. Gen. Stat. Ann. §42a-2-104(1).
- 1304. The Class Vehicles are "goods" within the meaning of Conn. Gen. Stat. Ann. §42a-2-105(1).
- 1305. GM provided all purchasers and lessees of the Class Vehicles with the express warranty described herein, which became a material part of the bargain.
- 1306. GM provided all purchasers and lessees of Cadillac-branded Class Vehicles with the Cadillac Warranty and all purchasers and lessees of Chevrolet or GM-branded Class Vehicles with the Chevrolet/GM Warranty.
- 1307. Under the Warranties, GM expressly warranted the following: "The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Accordingly, the warranty covered all defects except for "slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Because the Transmission Defect does not fall into any of the above excluded categories, it is covered under GM's express warranty. GM agreed to provide such repairs "including towing, parts, and labor . . . at no charge" for up to 3 years or 36,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles and for

up to 4 years or 50,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Bumper-to-Bumper Limited Warranties").

- 1308. Furthermore, under the Powertrain Component of the Warranties, GMC expressly warranted that the powertrain components listed therein, including the transmission and "all internally lubricated parts, case, torque converter, mounts, seals, and gaskets as well as any electrical components internal to the transmission/transaxle" and "any actuators directly connected to the transmission (slave cylinder, etc.)" are covered under the Warranties for up to 5 years or 60,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles, and for up to 6 years or 70,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Powertrain Warranties").
- 1309. GM manufactured and/or installed the 8L90 and 8L45 transmissions and the transmissions' component parts in the Class Vehicles, and the 8L90 and 8L45 transmissions and their component parts are covered by the express Warranties.
- 1310. The Transmission Defect at issue in this litigation was present at the time the Class Vehicles were sold or leased to Connecticut Plaintiff and the Connecticut Sub-Class Members.
- 1311. Plaintiffs relied on GM's express warranties, which were a material part of the bargain, when purchasing or leasing their Class Vehicles.
- 1312. Under the express Warranties, GM was obligated to correct the Transmission Defect in the vehicles owned or leased by Connecticut Plaintiff and Connecticut the Sub-Class Members.
- 1313. Although GM was obligated to correct the Transmission Defect, none of the attempted fixes to the transmissions are adequate under the terms of the Warranties, as they did not cure the defect.
 - 1314. GM breached the express Warranties by performing illusory repairs.

Rather than repairing the vehicles pursuant to the express Warranties, GM falsely informed Connecticut Sub-Class Members that there was no problem with their Class Vehicles, performed ineffective procedures including software updates, and/or replaced defective components in the 8L90 and 8L45 transmissions with equally defective components, without actually repairing the Class Vehicles.

- 1315. GM and its agent dealers have failed and refused to conform the 8L90 and 8L45 transmissions to the express Warranties. GM's conduct, as discussed throughout this Complaint, has voided any attempt on its part to disclaim liability for its actions.
- 1316. Moreover, GM's attempt to disclaim or limit these express Warranties vis-à-vis consumers is unconscionable and unenforceable under the circumstances here. Specifically, GM's warranty limitation is unenforceable because it knowingly sold a defective product without informing consumers about the defect.
- 1317. The time limits contained in GM's warranty period were also unconscionable and inadequate to protect Connecticut Plaintiff and the Connecticut Sub-Class Members. Among other things, Connecticut Plaintiff and the Connecticut Sub-Class Members had no meaningful choice in determining these time limitations, the terms of which unreasonably favored GM. A gross disparity in bargaining power existed between GM and the Class members, and GM knew or should have known that the Class Vehicles were defective at the time of sale.
- 1318. Connecticut Plaintiff and the Connecticut Sub-Class Members have complied with all obligations under the Warranties, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.
- 1319. Connecticut Plaintiff and the Connecticut Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from

Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal and external sources.

- 1320. Because GM, through its conduct and exemplified by its own service bulletins, has covered repairs of the Transmission Defect if GM determines the repairs are appropriately covered under the Warranties, GM cannot now deny that the Warranties cover the Transmission Defect.
- 1321. Because GM has not been able to remedy the Transmission Defect, any limitation on remedies included in the Warranties causes the Warranties to fail their essential purposes, rendering these limitations null and void.
- 1322. Due to GM's breach of warranty as set forth herein, Connecticut Plaintiff and the Connecticut Sub-Class assert as an additional and/or alternative remedy, as set forth in Conn. Gen. Stat. Ann. § 42a-2-711, for a revocation of acceptance of the goods and for a return to Plaintiff and the Connecticut State Class of the purchase price of all Class Vehicles currently owned or leased, and for such other incidental and consequential damages as allowed under Conn. Gen. Stat. Ann. §§ 42a-2-711 and 42a-2-608.
- 1323. As a direct and proximate cause of GM's breach, Connecticut Plaintiff and the Connecticut Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Connecticut Plaintiff and the Connecticut Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.
- 1324. As a direct and proximate result of GM's breach of express warranties, Connecticut Plaintiff and the Connecticut Sub-Class Members have been damaged in an amount to be determined at trial.

22. COUNT 22 BREACH OF THE IMPLIED WARRANTY OF MERCHANTABILITY CONN. GEN. STAT. ANN. § 42A-2-314

- 1325. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1326. Connecticut Plaintiff brings this cause of action on his own behalf and on behalf of the members of the Connecticut Sub-Class.
- 1327. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Conn. Gen. Stat. Ann. § 42a-2-104(1).
- 1328. The Class Vehicles are "goods" within the meaning of Conn. Gen. Stat. Ann. §42a-2-105(1).
- 1329. A warranty that the Class Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used is implied by law pursuant to Conn. Gen. Stat. Ann. § 42a-2-314.
- 1330. GM sold and/or leased Class Vehicles that were not in merchantable condition and/or fit for their ordinary purpose in violation of the implied warranty.
- 1331. GM knew or had reason to know of the specific use for which the Class Vehicles were purchased or leased. GM directly sold and marketed vehicles equipped with the 8L90 and 8L45 transmissions to customers through authorized dealers, like those from whom Connecticut Plaintiff and the Connecticut Sub-Class Members bought or leased their vehicles, for the intended purpose of consumers purchasing the vehicles. GM knew that the Class Vehicles would and did pass unchanged from the authorized dealers to Connecticut Plaintiff and the Connecticut Sub-Class Members, with no modification to the defective transmissions.
- 1332. GM provided Plaintiffs and Class Members with an implied warranty that the Class Vehicles and their components and parts are merchantable and fit for the ordinary purposes for which they were sold.

- 1333. This implied warranty included, among other things: (i) a warranty that the Class Vehicles and their transmissions that were manufactured, supplied, distributed, and/or sold by GM were safe and reliable for providing transportation; and (ii) a warranty that the Class Vehicles and their transmissions would be fit for their intended use while the Class Vehicles were being operated.
- 1334. Contrary to the applicable implied warranties, the Class Vehicles and their transmissions at the time of sale and thereafter were not fit for their ordinary and intended purpose of providing Connecticut Plaintiff and Connecticut Sub-Class Members with reliable, durable, and safe transportation. Instead, the Class Vehicles are defective, including, but not limited to, the defective design or manufacture of their transmissions and the existence of the Transmission Defect at the time of sale or lease and thereafter. GM knew of this defect at the time these sale or lease transactions occurred.
- 1335. As a result of GM's breach of the applicable implied warranties, Connecticut Plaintiff and the Connecticut Sub-Class Members suffered an ascertainable loss of money, property, and/or value of their Class Vehicles. Additionally, as a result of the Transmission Defect, Connecticut Plaintiff and the Connecticut Sub-Class Members were harmed and suffered actual damages in that the Class Vehicles' transmission components are substantially certain to fail before their expected useful life has run.
- 1336. GM's actions, as complained of herein, breached the implied warranty that the Class Vehicles were of merchantable quality and fit for such use in violation of Conn. Gen. Stat. Ann. § 42a-2-314.
- 1337. Connecticut Plaintiff and the Connecticut Sub-Class Members have complied with all obligations under the warranty, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

- 1338. Connecticut Plaintiff and the Connecticut Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal sources.
- 1339. As a direct and proximate cause of GM's breach, Connecticut Plaintiff and the Connecticut Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Connecticut Plaintiff and the Connecticut Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.
- 1340. As a direct and proximate result of GM's breach of the implied warranty of merchantability, Connecticut Plaintiff and the Connecticut Sub-Class Members have been damaged in an amount to be proven at trial.

G. Claims on Behalf of the Delaware Sub-Class

23. COUNT 23 VIOLATION OF THE DELAWARE CONSUMER FRAUD ACT 6 DEL. CODE § 2511(7)

- 1341. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1342. Plaintiffs Keith Shelton and Karen Shelton (collectively, the "Delaware Plaintiffs") bring this cause of action on their own behalf and on behalf of the members of the Delaware Sub-Class.
 - 1343. GM is a "person" within the meaning of 6 Del. Code § 2511(7).
- 1344. The Delaware Consumer Fraud Act ("Delaware CFA") prohibits the "act, use or employment by any person of any deception, fraud, false pretense, false

promise, misrepresentation, or the concealment, suppression, or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale, lease or advertisement of any merchandise, whether or not any person has in fact been misled, deceived or damaged thereby." 6 Del. Code § 2513(a).

1345. GM participated in deceptive trade practices that violated the Delaware CFA as described below and alleged throughout the Complaint. By failing to disclose the Transmission Defect, by concealing the Transmission Defect, by marketing its vehicles as safe, reliable, easily operable, efficient, and of high quality, and by presenting itself as a reputable manufacturer that valued safety, cleanliness, performance and efficiency, and stood behind its vehicles after they were sold, GM knowingly and intentionally misrepresented and omitted material facts in connection with the sale or lease of the Class Vehicles. GM systematically misrepresented, concealed, suppressed, or omitted material facts relating to the Class Vehicles and Transmission Defect in the course of its business.

1346. GM also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale of the Class Vehicles.

1347. GM's unfair and deceptive acts or practices occurred repeatedly in GM's trade or business, were capable of deceiving a substantial portion of the purchasing public, and imposed a serious safety risk on the public.

1348. GM knew that the Class Vehicles and their transmissions suffered from an inherent defect, were defectively designed or manufactured, and were not suitable for their intended use.

1349. GM knew or should have known that its conduct violated the Delaware CFA.

- 1350. Delaware Plaintiffs and Delaware Sub-Class Members reasonably relied on GM's misrepresentations and omissions of material facts in its advertisements of the Class Vehicles and in the purchase of the Class Vehicles.
- 1351. Had Delaware Plaintiffs and Delaware Sub-Class Members known that the Class Vehicles would exhibit the Transmission Defect, they would not have purchased or leased the Class Vehicles, or would have paid less for them. Plaintiffs did not receive the benefit of their bargain as a result of GM's misconduct.
- 1352. Delaware Plaintiffs and Delaware Sub-Class Members suffered injury in fact to a legally protected interest. As a result of GM's conduct, Delaware Plaintiffs and Delaware Sub-Class Members were harmed and suffered actual damages in the form of the diminished value of their vehicles.
- 1353. As a result of GM's conduct, Delaware Plaintiffs and Delaware Sub-Class Members were harmed and suffered ascertainable loss of money or property as a result of GM's misrepresentations and omissions with regard to their Class Vehicles' transmissions because they purchased vehicles which do not perform as advertised.
- 1354. As a direct and proximate result of GM's unfair or deceptive acts or practices, Delaware Plaintiffs and Delaware Sub-Class Members suffered and will continue to suffer injury in fact and/or actual damages.
- 1355. Delaware Plaintiffs and Delaware Sub-Class Members seek damages under the Delaware CFA for injury resulting from the direct and natural consequences of GM's unlawful conduct. *See, e.g., Stephenson v. Capano Dev., Inc.*, 462 A.2d 1069, 1077 (Del. 1983).
- 1356. GM engaged in gross, oppressive, or aggravated conduct justifying the imposition of punitive damages.

24. COUNT 24 BREACH OF EXPRESS WARRANTY 6 DEL. CODE §§ 2-313 AND 2A-210

- 1357. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1358. Delaware Plaintiffs Keith Shelton and Karen Shelton bring this cause of action on their own behalf and on behalf of the members of the Delaware Sub-Class.
- 1359. GM is and was at all relevant times a "merchant" with respect to motor vehicles under 6 Del. Code §§ 2-104(1) and 2A-103(3), and a "seller" of motor vehicles under § 2-103(1)(d).
- 1360. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under 6 Del. Code § 2A-103(1)(p).
- 1361. The Class Vehicles are and were at all relevant times "goods" within the meaning of 6 Del. Code §§ 2-105(1) and 2A-103(1)(h).
- 1362. GM provided all purchasers and lessees of the Class Vehicles with the express warranty described herein, which became a material part of the bargain.
- 1363. GM provided all purchasers and lessees of Cadillac-branded Class Vehicles with the Cadillac Warranty and all purchasers and lessees of Chevrolet or GM-branded Class Vehicles with the Chevrolet/GM Warranty.
- 1364. Under the Warranties, GM expressly warranted the following: "The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Accordingly, the warranty covered all defects except for "slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Because the Transmission Defect does not fall into any of the above excluded categories, it is

covered under GM's express warranty. GM agreed to provide such repairs "including towing, parts, and labor . . . at no charge" for up to 3 years or 36,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles and for up to 4 years or 50,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Bumper-to-Bumper Limited Warranties").

1365. Furthermore, under the Powertrain Component of the Warranties, GMC expressly warranted that the powertrain components listed therein, including the transmission and "all internally lubricated parts, case, torque converter, mounts, seals, and gaskets as well as any electrical components internal to the transmission/transaxle" and "any actuators directly connected to the transmission (slave cylinder, etc.)" are covered under the Warranties for up to 5 years or 60,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles, and for up to 6 years or 70,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Powertrain Warranties").

1366. GM manufactured and/or installed the 8L90 and 8L45 transmissions and the transmissions' component parts in the Class Vehicles, and the 8L90 and 8L45 transmissions and their component parts are covered by the express Warranties.

- 1367. The Transmission Defect at issue in this litigation was present at the time the Class Vehicles were sold or leased to Delaware Plaintiffs and Delaware Sub-Class Members.
- 1368. Plaintiffs relied on GM's express warranties, which were a material part of the bargain, when purchasing or leasing their Class Vehicles.
- 1369. Under the express Warranties, GM was obligated to correct the Transmission Defect in the vehicles owned or leased by Delaware Plaintiffs and Delaware Sub-Class Members.
 - 1370. Although GM was obligated to correct the Transmission Defect, none

of the attempted fixes to the transmissions are adequate under the terms of the Warranties, as they did not cure the defect.

- 1371. GM breached the express Warranties by performing illusory repairs. Rather than repairing the vehicles pursuant to the express Warranties, GM falsely informed Delaware Sub-Class Members that there was no problem with their Class Vehicles, performed ineffective procedures including software updates, and/or replaced defective components in the 8L90 and 8L45 transmissions with equally defective components, without actually repairing the Class Vehicles.
- 1372. GM and its agent dealers have failed and refused to conform the 8L90 and 8L45 transmissions to the express Warranties. GM's conduct, as discussed throughout this Complaint, has voided any attempt on its part to disclaim liability for its actions.
- 1373. Moreover, GM's attempt to disclaim or limit these express Warranties vis-à-vis consumers is unconscionable and unenforceable under the circumstances here. Specifically, GM's warranty limitation is unenforceable because it knowingly sold a defective product without informing consumers about the defect.
- 1374. The time limits contained in GM's warranty period were also unconscionable and inadequate to protect Delaware Plaintiffs and Delaware Sub-Class Members. Among other things, Delaware Plaintiffs and Delaware Sub-Class Members had no meaningful choice in determining these time limitations, the terms of which unreasonably favored GM. A gross disparity in bargaining power existed between GM and the Class members, and GM knew or should have known that the Class Vehicles were defective at the time of sale.
- 1375. Delaware Plaintiffs and Delaware Sub-Class Members have complied with all obligations under the Warranties, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.
 - 1376. Delaware Plaintiffs and Delaware Sub-Class Members were not 296

required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal and external sources.

1377. Because GM, through its conduct and exemplified by its own service bulletins, has covered repairs of the Transmission Defect if GM determines the repairs are appropriately covered under the Warranties, GM cannot now deny that the Warranties cover the Transmission Defect.

1378. Because GM has not been able to remedy the Transmission Defect, any limitation on remedies included in the Warranties causes the Warranties to fail their essential purposes, rendering them null and void.

1379. As a direct and proximate cause of GM's breach, Delaware Plaintiffs and Delaware Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Delaware Plaintiffs and Delaware Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.

1380. As a direct and proximate result of GM's breach of express warranties, Delaware Plaintiffs and Delaware Sub-Class Members have been damaged in an amount to be determined at trial.

25. COUNT 25 BREACH OF THE IMPLIED WARRANTY OF MERCHANTABILITY 6 DEL. CODE §§ 2-314 AND 2A-212

1381. Plaintiffs incorporate by reference and re-allege the allegations

contained in paragraphs 1-950 of this Complaint.

- 1382. Delaware Plaintiffs Keith Shelton and Karen Shelton bring this cause of action on their own behalf and on behalf of the members of the Delaware Sub-Class.
- 1383. GM is and was at all relevant times a "merchant" with respect to motor vehicles under 6 Del. Code §§ 2-104(1) and 2A-103(3), and a "seller" of motor vehicles under § 2-103(1)(d).
- 1384. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under 6 Del. Code § 2A-103(1)(p).
- 1385. The Class Vehicles are and were at all relevant times "goods" within the meaning of 6 Del. Code §§ 2-105(1) and 2A-103(1)(h).
- 1386. A warranty that the Class Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used is implied by law under 6 Del. Code §§ 2-314 and 2A-212.
- 1387. GM knew or had reason to know of the specific use for which the Class Vehicles were purchased or leased. GM directly sold and marketed vehicles equipped with the 8L90 and 8L45 transmissions to customers through authorized dealers, like those from whom Delaware Plaintiffs and the Delaware Sub-Class Members bought or leased their vehicles, for the intended purpose of consumers purchasing the vehicles. GM knew that the Class Vehicles would and did pass unchanged from the authorized dealers to Delaware Plaintiffs and the Delaware Sub-Class Members, with no modification to the defective transmissions.
- 1388. GM provided Plaintiffs and Class Members with an implied warranty that the Class Vehicles and their components and parts are merchantable and fit for the ordinary purposes for which they were sold.
- 1389. This implied warranty included, among other things: (i) a warranty that the Class Vehicles and their transmissions that were manufactured, supplied,

distributed, and/or sold by GM were safe and reliable for providing transportation; and (ii) a warranty that the Class Vehicles and their transmissions would be fit for their intended use while the Class Vehicles were being operated.

1390. Contrary to the applicable implied warranties, the Class Vehicles and their transmissions at the time of sale and thereafter were not fit for their ordinary and intended purpose of providing Plaintiffs and Class Members with reliable, durable, and safe transportation. Instead, the Class Vehicles are defective, including, but not limited to, the defective design or manufacture of their transmissions and the existence of the Transmission Defect at the time of sale or lease and thereafter. GM knew of this defect at the time these sale or lease transactions occurred.

1391. As a result of GM's breach of the applicable implied warranties, Delaware Plaintiffs and the Delaware Sub-Class Members of the Class Vehicles suffered an ascertainable loss of money, property, and/or value of their Class Vehicles. Additionally, as a result of the Transmission Defect, Delaware Plaintiffs and the Delaware Sub-Class Members were harmed and suffered actual damages in that the Class Vehicles' transmission components are substantially certain to fail before their expected useful life has run.

1392. GM's actions, as complained of herein, breached the implied warranty that the Class Vehicles were of merchantable quality and fit for such use in violation of 6 Del. Code §§ 2-314 and 2A-212.

1393. Delaware Plaintiffs and Delaware Sub-Class Members have complied with all obligations under the warranty, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

1394. Delaware Plaintiffs and Delaware Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from

Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal sources.

1395. As a direct and proximate cause of GM's breach, Delaware Plaintiffs and Delaware Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Delaware Plaintiffs and Delaware Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.

1396. As a direct and proximate result of GM's breach of the implied warranty of merchantability, Delaware Plaintiffs and Delaware Sub-Class Members have been damaged in an amount to be proven at trial.

H. Claims on Behalf of the Florida Sub-Class 26. COUNT 26 VIOLATION OF THE FLORIDA DECEPTIVE AND UNFAIR TRADE PRACTICES ACT F.S.A. §§ 501.201-.213

1397. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.

1398. Plaintiffs Neil Ambrosio, Dennis Duffy, Charles Graff, Lisa Marie Graff, Rhianna Meyers, Michael Ponder, Arif Shakoor, Richard Sullivan and Tait Thomas ("Florida Plaintiffs") bring this cause of action on their own behalf and on behalf of the members of the Florida Sub-Class.

1399. GM's business acts and practices alleged herein constitute unfair, unconscionable and/or deceptive methods, acts or practices under the Florida Deceptive and Unfair Trade Practices Act, § 501.201, *et seq.*, Florida Statutes ("FDUTPA").

1400. At all relevant times, Florida Plaintiffs and the Florida Sub-Class

Members were "consumers" within the meaning of the FDUTPA. F.S.A. § 501.203(7).

- 1401. GM's conduct, as set forth herein, occurred in the conduct of "trade or commerce" within the meaning of the FDUTPA. F.S.A. § 501.203(8).
- 1402. The practices of GM, described above, violate the FDUTPA for, *inter alia*, one or more of the following reasons:
- (a) GM represented that goods or services have sponsorship, approval, characteristics, uses, and benefits that they do not have;
- (b) GM provided, disseminated, marketed, and otherwise distributed uniform false and misleading advertisements, technical data and other information to consumers regarding the performance, reliability, quality and nature of the 8L45 and 8L90 transmissions;
- (c) GM represented that goods or services were of a particular standard, quality, or grade, when they were of another;
- (d) GM engaged in unconscionable commercial practices in failing to reveal material facts and information about the 8L45 and 8L90 transmissions, which did, or tended to, mislead Florida Plaintiffs and the Florida Sub-Class Members about facts that could not reasonably be known by the consumer;
- (e) GM failed to reveal facts that were material to the transactions in light of representations of fact made in a positive manner;
- (f) GM caused Florida Plaintiffs and the Florida Sub-Class Members to suffer a probability of confusion and a misunderstanding of legal rights, obligations, and/or remedies by and through its conduct;
- (g) GM failed to reveal material facts to Florida Plaintiffs and the Florida Class with the intent that Florida Plaintiffs and the Florida Sub-Class Members rely upon the omission;
 - (h) GM made material representations and statements of fact to Florida

Plaintiffs and the Florida Sub-Class Members that resulted in Florida Plaintiffs and the Florida Sub-Class Members reasonably believing the represented or suggested state of affairs to be other than what they actually were;

(i)GM intended that Florida Plaintiffs and the Florida Sub-Class Members rely on their misrepresentations and omissions, so that Florida Plaintiffs and the Florida Sub-Class Members would purchase vehicles equipped with the 8L45 and 8L90 transmissions.

1403. GM's actions impact the public interest because Florida Plaintiffs and the Florida Sub-Class Members were injured in exactly the same way as thousands of others purchasing and/or leasing the vehicles with 8L45 and 8L90 transmissions as a result of and pursuant to GM's generalized course of deception.

1404. Had Florida Plaintiffs and the Florida Sub-Class Members known of the defective nature of the 8L45 and 8L90 transmissions, they would not have purchased or leased vehicles equipped with the 8L45 and 8L90 transmissions or would have paid less for them.

1405. The foregoing acts, omissions and practices proximately caused Florida Plaintiffs and the Florida Sub-Class Members to suffer actual damages in the form of, *inter alia*, overpaying for the vehicles, as well as diminution in value of the vehicles equipped with 8L45 and 8L90 transmissions, and they are entitled to recover such damages, together with all other appropriate damages, attorneys' fees and costs of suit.

27. COUNT 27 BREACH OF EXPRESS WARRANTY F.S.A. §§ 672.313 AND 680.21

1406. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.

- 1407. Florida Plaintiffs bring this cause of action on his own behalf and on behalf of the members of the Florida Sub-Class.
- 1408. GM is and was at all relevant times a "merchant" with respect to motor vehicles under F.S.A. §§ 672.104(1) and 680.1031(3)(k), and a "seller" of motor vehicles under § 672.103(1)(d).
- 1409. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under F.S.A. § 680.1031(1)(p).
- 1410. The Class Vehicles are and were at all relevant times "goods" within the meaning of F.S.A. §§ 672.105(1) and 680.1031(1)(h).
- 1411. GM provided all purchasers and lessees of the Class Vehicles with the express warranty described herein, which became a material part of the bargain.
- 1412. GM provided all purchasers and lessees of Cadillac-branded Class Vehicles with the Cadillac Warranty and all purchasers and lessees of Chevrolet or GM-branded Class Vehicles with the Chevrolet/GM Warranty.
- 1413. Under the Warranties, GM expressly warranted the following: "The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Accordingly, the warranty covered all defects except for "slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Because the Transmission Defect does not fall into any of the above excluded categories, it is covered under GM's express warranty. GM agreed to provide such repairs "including towing, parts, and labor . . . at no charge" for up to 3 years or 36,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles and for up to 4 years or 50,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Bumper-to-Bumper Limited Warranties").

- 1414. Furthermore, under the Powertrain Component of the Warranties, GMC expressly warranted that the powertrain components listed therein, including the transmission and "all internally lubricated parts, case, torque converter, mounts, seals, and gaskets as well as any electrical components internal to the transmission/transaxle" and "any actuators directly connected to the transmission (slave cylinder, etc.)" are covered under the Warranties for up to 5 years or 60,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles, and for up to 6 years or 70,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Powertrain Warranties").
- 1415. GM manufactured and/or installed the 8L90 and 8L45 transmissions and the transmissions' component parts in the Class Vehicles, and the 8L90 and 8L45 transmissions and their component parts are covered by the express Warranties.
- 1416. The Transmission Defect at issue in this litigation was present at the time the Class Vehicles were sold or leased to Florida Plaintiffs and the Florida Sub-Class Members.
- 1417. Plaintiffs relied on GM's express warranties, which were a material part of the bargain, when purchasing or leasing their Class Vehicles.
- 1418. Under the express Warranties, GM was obligated to correct the Transmission Defect in the vehicles owned or leased by Florida Plaintiffs and the Florida Sub-Class Members.
- 1419. Although GM was obligated to correct the Transmission Defect, none of the attempted fixes to the transmissions are adequate under the terms of the Warranties, as they did not cure the defect.
- 1420. GM breached the express Warranties by performing illusory repairs. Rather than repairing the vehicles pursuant to the express Warranties, GM falsely informed Florida Sub-Class Members that there was no problem with their Class

Vehicles, performed ineffective procedures including software updates, and/or replaced defective components in the 8L90 and 8L45 transmissions with equally defective components, without actually repairing the Class Vehicles.

- 1421. GM and its agent dealers have failed and refused to conform the 8L90 and 8L45 transmissions to the express Warranties. GM's conduct, as discussed throughout this Complaint, has voided any attempt on its part to disclaim liability for its actions.
- 1422. Moreover, GM's attempt to disclaim or limit these express Warranties vis-à-vis consumers is unconscionable and unenforceable under the circumstances here. Specifically, GM's warranty limitation is unenforceable because it knowingly sold a defective product without informing consumers about the defect.
- 1423. The time limits contained in GM's warranty period were also unconscionable and inadequate to protect Florida Plaintiffs and the Florida Sub-Class Members. Among other things, Florida Plaintiffs and the Florida Sub-Class Members had no meaningful choice in determining these time limitations, the terms of which unreasonably favored GM. A gross disparity in bargaining power existed between GM and the Class members, and GM knew or should have known that the Class Vehicles were defective at the time of sale.
- 1424. Florida Plaintiffs and the Florida Sub-Class Members have complied with all obligations under the Warranties, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.
- 1425. Florida Plaintiffs and the Florida Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the

transmissions or components thereof, and through other internal and external sources.

- 1426. Because GM, through its conduct and exemplified by its own service bulletins, has covered repairs of the Transmission Defect if GM determines the repairs are appropriately covered under the Warranties, GM cannot now deny that the Warranties cover the Transmission Defect.
- 1427. Because GM has not been able to remedy the Transmission Defect, any limitation on remedies included in the Warranties causes the Warranties to fail their essential purposes, rendering them null and void.
- 1428. As a direct and proximate cause of GM's breach, Florida Plaintiffs and the Florida Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Florida Plaintiffs and the Florida Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.
- 1429. As a direct and proximate result of GM's breach of express warranties, Florida Plaintiffs and the Florida Sub-Class Members have been damaged in an amount to be determined at trial.

28. COUNT 28 BREACH OF IMPLIED WARRANTY F.S.A. § § 672.314 AND 680.212

- 1430. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1431. Florida Plaintiffs bring this cause of action on his own behalf and on behalf of the members of the Florida Sub-Class.
- 1432. GM is and was at all relevant times a "merchant" with respect to motor vehicles under F.S.A. §§ 672.104(1) and 680.1031(3)(k), and a "seller" of motor

vehicles under § 672.103(1)(d).

- 1433. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under F.S.A. § 680.1031(1)(p).
- 1434. The Class Vehicles are and were at all relevant times "goods" within the meaning of F.S.A. §§ 672.105(1) and 680.1031(1)(h).
- 1435. A warranty that the Class Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used is implied by law under F.S.A. §§ 672.314 and 680.212.
- 1436. GM knew or had reason to know of the specific use for which the Class Vehicles were purchased or leased. GM directly sold and marketed vehicles equipped with the 8L90 and 8L45 transmissions to customers through authorized dealers, like those from whom Florida Plaintiffs and the Florida Sub-Class Members bought or leased their vehicles, for the intended purpose of consumers purchasing the vehicles. GM knew that the Class Vehicles would and did pass unchanged from the authorized dealers to Florida Plaintiffs and the Florida Sub-Class Members, with no modification to the defective transmissions.
- 1437. GM provided Plaintiffs and Class Members with an implied warranty that the Class Vehicles and their components and parts are merchantable and fit for the ordinary purposes for which they were sold.
- 1438. This implied warranty included, among other things: (i) a warranty that the Class Vehicles and their transmissions that were manufactured, supplied, distributed, and/or sold by GM were safe and reliable for providing transportation; and (ii) a warranty that the Class Vehicles and their transmissions would be fit for their intended use while the Class Vehicles were being operated.
- 1439. Contrary to the applicable implied warranties, the Class Vehicles and their transmissions at the time of sale and thereafter were not fit for their ordinary and intended purpose of providing Plaintiffs and Class Members with reliable,

durable, and safe transportation. Instead, the Class Vehicles are defective, including, but not limited to, the defective design or manufacture of their transmissions and the existence of the Transmission Defect at the time of sale or lease and thereafter. GM knew of this defect at the time these sale or lease transactions occurred.

1440. As a result of GM's breach of the applicable implied warranties, Florida Plaintiffs and the Florida Sub-Class Members of the Class Vehicles suffered an ascertainable loss of money, property, and/or value of their Class Vehicles. Additionally, as a result of the Transmission Defect, Florida Plaintiffs and the Florida Sub-Class Members were harmed and suffered actual damages in that the Class Vehicles' transmission components are substantially certain to fail before their expected useful life has run.

1441. GM's actions, as complained of herein, breached the implied warranty that the Class Vehicles were of merchantable quality and fit for such use in violation of F.S.A. §§ 672.314 and 680.212.

1442. Florida Plaintiffs and the Florida Sub-Class Members have complied with all obligations under the warranty, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

1443. Florida Plaintiffs and the Florida Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal sources.

1444. As a direct and proximate cause of GM's breach, Florida Plaintiffs and the Florida Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Florida Plaintiffs and the Florida Sub-Class

Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.

1445. As a direct and proximate result of GM's breach of the implied warranty of merchantability, Florida Plaintiffs and the Florida Sub-Class Members have been damaged in an amount to be proven at trial.

I. Claims on Behalf of the Georgia Sub-Class

29. COUNT 29 VIOLATION OF THE GEORGIA UNIFORM DECEPTIVE TRADE PRACTICES ACT GA. CODE ANN. § 10-1-370, ET SEQ.

- 1446. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1447. Plaintiffs Jimmy Flowers, Richard Freeman, and Philip Weeks ("Georgia Plaintiffs") bring this cause of action on their own behalf and on behalf of the members of the Georgia Sub-Class.
- 1448. GM, Georgia Plaintiffs, and the Georgia Sub-Class Members "persons" within the meaning of the Georgia Uniform Deceptive Trade Practices Act ("Georgia UDTPA"), Ga. Code. Ann. § 10-1-371(5).
- 1449. The Georgia UDTPA prohibits "deceptive trade practices," which include the "misrepresentation of standard or quality of goods or services," and "engaging in any other conduct which similarly creates a likelihood of confusion or of misunderstanding." Ga. Code Ann. § 10-1-372(a).
- 1450. GM participated in unfair or deceptive trade practices that violated the Georgia UDTPA as described below and alleged throughout the Complaint. By failing to disclose the Transmission Defect, by concealing the Transmission Defect, by marketing its vehicles as safe, reliable, easily operable, efficient, and of high quality, and by presenting itself as a reputable manufacturer that valued safety,

cleanliness, performance and efficiency, and stood behind its vehicles after they were sold, GM knowingly and intentionally misrepresented and omitted material facts in connection with the sale or lease of the Class Vehicles. GM systematically misrepresented, concealed, suppressed, or omitted material facts relating to the Class Vehicles and Transmission Defect in the course of its business.

- 1451. GM also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale of the Class Vehicles.
- 1452. GM's unfair and deceptive acts or practices occurred repeatedly in GM's trade or business, were capable of deceiving a substantial portion of the purchasing public, and imposed a serious safety risk on the public.
- 1453. GM knew that the Class Vehicles and their transmissions suffered from an inherent defect, were defectively designed or manufactured, and were not suitable for their intended use.
- 1454. GM knew or should have known that its conduct violated the Georgia UDTPA.
- 1455. Georgia Plaintiffs and the Georgia Sub-Class Members reasonably relied on GM's misrepresentations and omissions of material facts in its advertisements of the Class Vehicles and in the purchase of the Class Vehicles.
- 1456. Had Georgia Plaintiffs and the Georgia Sub-Class Members known that the Class Vehicles would exhibit the Transmission Defect, they would not have purchased or leased the Class Vehicles, or would have paid less for them. Plaintiffs did not receive the benefit of their bargain as a result of GM's misconduct.
- 1457. Georgia Plaintiffs and the Georgia Sub-Class Members suffered injury in fact to a legally protected interest. As a result of GM's conduct, Georgia Plaintiffs and the Georgia Sub-Class Members were harmed and suffered actual damages in

the form of the diminished value of their vehicles.

- 1458. As a result of GM's conduct, Georgia Plaintiffs and the Georgia Sub-Class Members were harmed and suffered actual damages as a result of GM's misrepresentations and omissions with regard to their Class Vehicles' transmissions because they purchased vehicles which do not perform as advertised.
- 1459. As a direct and proximate result of GM's unfair or deceptive acts or practices, Georgia Plaintiffs and the Georgia Sub-Class Members suffered and will continue to suffer injury in fact and/or actual damages.
- 1460. Georgia Plaintiffs and the Georgia Sub-Class Members seek an order enjoining GM's unfair, unlawful, and/or deceptive practices, attorneys' fees, and any other just and proper relief available under the under the Georgia UDTPA.

30. COUNT 30 BREACH OF EXPRESS WARRANTY GA. CODE. ANN. §§ 11-2-313 AND 11-2A-210

- 1461. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1462. Georgia Plaintiffs bring this cause of action on his own behalf and on behalf of the members of the Georgia Sub-Class.
- 1463. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Ga. Code Ann. §§ 11-2-104(1) and 11-2A-103(3), and a "seller" of motor vehicles under § 11-2-103(1)(d).
- 1464. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Ga. Code Ann. § 11-2A-103(1)(p).
- 1465. The Class Vehicles are and were at all relevant times "goods" within the meaning of Ga. Code Ann. §§ 11-2-105(1) and 11-2A-103(1)(h).
- 1466. GM provided all purchasers and lessees of the Class Vehicles with the express warranty described herein, which became a material part of the bargain.

1467. GM provided all purchasers and lessees of Cadillac-branded Class Vehicles with the Cadillac Warranty and all purchasers and lessees of Chevrolet or GM-branded Class Vehicles with the Chevrolet/GM Warranty.

1468. Under the Warranties, GM expressly warranted the following: "The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Accordingly, the warranty covered all defects except for "slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Because the Transmission Defect does not fall into any of the above excluded categories, it is covered under GM's express warranty. GM agreed to provide such repairs "including towing, parts, and labor . . . at no charge" for up to 3 years or 36,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles and for up to 4 years or 50,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Bumper-to-Bumper Limited Warranties").

1469. Furthermore, under the Powertrain Component of the Warranties, GMC expressly warranted that the powertrain components listed therein, including the transmission and "all internally lubricated parts, case, torque converter, mounts, seals, and gaskets as well as any electrical components internal to the transmission/transaxle" and "any actuators directly connected to the transmission (slave cylinder, etc.)" are covered under the Warranties for up to 5 years or 60,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles, and for up to 6 years or 70,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Powertrain Warranties").

1470. GM manufactured and/or installed the 8L90 and 8L45 transmissions and the transmissions' component parts in the Class Vehicles, and the 8L90 and 8L45 transmissions and their component parts are covered by the express

Warranties.

- 1471. The Transmission Defect at issue in this litigation was present at the time the Class Vehicles were sold or leased to Georgia Plaintiffs and the Georgia Sub-Class Members.
- 1472. Plaintiffs relied on GM's express warranties, which were a material part of the bargain, when purchasing or leasing their Class Vehicles.
- 1473. Under the express Warranties, GM was obligated to correct the Transmission Defect in the vehicles owned or leased by Georgia Plaintiffs and the Georgia Sub-Class Members.
- 1474. Although GM was obligated to correct the Transmission Defect, none of the attempted fixes to the transmissions are adequate under the terms of the Warranties, as they did not cure the defect.
- 1475. GM breached the express Warranties by performing illusory repairs. Rather than repairing the vehicles pursuant to the express Warranties, GM falsely informed Georgia Sub-Class Members that there was no problem with their Class Vehicles, performed ineffective procedures including software updates, and/or replaced defective components in the 8L90 and 8L45 transmissions with equally defective components, without actually repairing the Class Vehicles.
- 1476. GM and its agent dealers have failed and refused to conform the 8L90 and 8L45 transmissions to the express Warranties. GM's conduct, as discussed throughout this Complaint, has voided any attempt on its part to disclaim liability for its actions.
- 1477. Moreover, GM's attempt to disclaim or limit these express Warranties vis-à-vis consumers is unconscionable and unenforceable under the circumstances here. Specifically, GM's warranty limitation is unenforceable because it knowingly sold a defective product without informing consumers about the defect.
 - 1478. The time limits contained in GM's warranty period were also

unconscionable and inadequate to protect Georgia Plaintiffs and the Georgia Sub-Class Members. Among other things, Georgia Plaintiffs and the Georgia Sub-Class Members had no meaningful choice in determining these time limitations, the terms of which unreasonably favored GM. A gross disparity in bargaining power existed between GM and the Class members, and GM knew or should have known that the Class Vehicles were defective at the time of sale.

1479. Georgia Plaintiffs and the Georgia Sub-Class Members have complied with all obligations under the Warranties, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

1480. Georgia Plaintiffs and the Georgia Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal and external sources.

- 1481. Because GM, through its conduct and exemplified by its own service bulletins, has covered repairs of the Transmission Defect if GM determines the repairs are appropriately covered under the Warranties, GM cannot now deny that the Warranties cover the Transmission Defect.
- 1482. Because GM has not been able to remedy the Transmission Defect, any limitation on remedies included in the Warranties causes the Warranties to fail their essential purposes, rendering them null and void.
- 1483. As a direct and proximate cause of GM's breach, Georgia Plaintiffs and the Georgia Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Georgia Plaintiffs and the Georgia Sub-Class

Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.

1484. As a direct and proximate result of GM's breach of express warranties, Georgia Plaintiffs and the Georgia Sub-Class Members have been damaged in an amount to be determined at trial.

31. COUNT 31 BREACH OF THE IMPLIED WARRANTY OF MERCHANTABILITY GA. CODE. ANN. §§ 11-2-314 AND 11-2A-212

- 1485. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1486. Georgia Plaintiffs bring this cause of action on his own behalf and on behalf of the members of the Georgia Sub-Class.
- 1487. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Ga. Code Ann. §§ 11-2-104(1) and 11-2A-103(3), and a "seller" of motor vehicles under § 11-2-103(1)(d).
- 1488. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Ga. Code Ann. § 11-2A-103(1)(p).
- 1489. The Class Vehicles are and were at all relevant times "goods" within the meaning of Ga. Code Ann. §§ 11-2-105(1) and 11-2A-103(1)(h).
- 1490. A warranty that the Class Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used is implied by law under Ga. Code. Ann. §§ 11-2-314 and 11-2A-212.
- 1491. GM knew or had reason to know of the specific use for which the Class Vehicles were purchased or leased. GM directly sold and marketed vehicles equipped with the 8L90 and 8L45 transmissions to customers through authorized dealers, like those from whom Georgia Plaintiffs and the Georgia Sub-Class

Members bought or leased their vehicles, for the intended purpose of consumers purchasing the vehicles. GM knew that the Class Vehicles would and did pass unchanged from the authorized dealers to Georgia Plaintiffs and the Georgia Sub-Class Members, with no modification to the defective transmissions.

1492. GM provided Plaintiffs and Class Members with an implied warranty that the Class Vehicles and their components and parts are merchantable and fit for the ordinary purposes for which they were sold.

1493. This implied warranty included, among other things: (i) a warranty that the Class Vehicles and their transmissions that were manufactured, supplied, distributed, and/or sold by GM were safe and reliable for providing transportation; and (ii) a warranty that the Class Vehicles and their transmissions would be fit for their intended use while the Class Vehicles were being operated.

1494. Contrary to the applicable implied warranties, the Class Vehicles and their transmissions at the time of sale and thereafter were not fit for their ordinary and intended purpose of providing Plaintiffs and Class Members with reliable, durable, and safe transportation. Instead, the Class Vehicles are defective, including, but not limited to, the defective design or manufacture of their transmissions and the existence of the Transmission Defect at the time of sale or lease and thereafter. GM knew of this defect at the time these sale or lease transactions occurred.

1495. As a result of GM's breach of the applicable implied warranties, Georgia Plaintiffs and the Georgia Sub-Class Members of the Class Vehicles suffered an ascertainable loss of money, property, and/or value of their Class Vehicles. Additionally, as a result of the Transmission Defect, Georgia Plaintiffs and the Georgia Sub-Class Members were harmed and suffered actual damages in that the Class Vehicles' transmission components are substantially certain to fail before their expected useful life has run.

1496. GM's actions, as complained of herein, breached the implied warranty

that the Class Vehicles were of merchantable quality and fit for such use in violation of Ga. Code. Ann. §§ 11-2-314 and 11-2A-212.

1497. Georgia Plaintiffs and the Georgia Sub-Class Members have complied with all obligations under the warranty, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

1498. Georgia Plaintiffs and the Georgia Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal sources.

1499. As a direct and proximate cause of GM's breach, Georgia Plaintiffs and the Georgia Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Georgia Plaintiffs and the Georgia Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.

1500. As a direct and proximate result of GM's breach of the implied warranty of merchantability, Georgia Plaintiffs and the Georgia Sub-Class Members have been damaged in an amount to be proven at trial.

J. Claims on Behalf of the Idaho Sub-Class

32. COUNT 32 VIOLATION OF THE IDAHO CONSUMER PROTECTION ACT IDAHO CODE § 48-601, ET SEQ.

1501. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.

- 1502. Plaintiff Cary Sherrow ("Idaho Plaintiff") brings this cause of action on his own behalf and on behalf of the members of the Idaho Sub-Class.
- 1503. GM, Idaho Plaintiff, and Idaho Sub-Class members are "persons" within the meaning of Idaho Code § 48-602(1).
- 1504. GM is engaged in "trade" or "commerce" within the meaning of Idaho Code § 48-602(2).
- 1505. The Idaho Consumer Credit and Protection Act ("CPA") makes unlawful misleading, false, or deceptive acts.
- 1506. In the course of its business, Defendant GM, through their agents, employees and/or subsidiaries, violated the Idaho CPA.
- 1507. GM concealed the fact that Class Vehicles had defective transmissions that made them unsafe to drive and told various GM dealers and service technicians that the vehicles were operating "as [d]esigned" and that the symptoms were "normal" (if widespread enough). These GM dealers and service technicians passed this mis-information onto Class Members, as evidenced by the various consumer complaints alleging that someone—such as a GM "dealer" or "service manager"—told them the defect's symptoms were "normal." Additionally, Idaho Plaintiff was told that his vehicle's jolting, lurching, and jerking were "normal" and that the problem would "resolve itself" after a break-in period.
- 1508. GM violated the Idaho CPA by, at minimum, representing that the Class Vehicles have characteristics, uses, benefits, and qualities which they do not have; representing that the Class Vehicles are of a particular standard and quality when they are not; advertising the Class Vehicles with the intent not to sell them as advertised; and omitting material facts in describing the Class Vehicles.
- 1509. GM intentionally and knowingly misrepresented material facts regarding the Class Vehicles with the intent to mislead the Idaho Plaintiff and the Class.

- 1510. GM knew or should have known that its conducted violated the Idaho CPA.
- 1511. GM's fraudulent concealment of the true characteristics of the defective transmissions in the Class Vehicles were material to the Idaho Plaintiff and Class members.
- 1512. GM's violations present a continuing risk to Plaintiffs as well as to the general public. GM's unlawful acts and practices complained of herein affect the public interest.
- 1513. GM had an ongoing duty to its customers to refrain from unfair and deceptive practices under the Idaho CPA. All owners of Class Vehicles suffered ascertainable loss in the form of the diminished value of their vehicles as a result of GM's deceptive and unfair acts and practices made in the course of GM's business.
- 1514. As a direct and proximate result of GM's violations of the Idaho CPA, the Idaho Plaintiff and the Class have suffered injury-in-fact and/or actual damage.
- 1515. Pursuant to Idaho Code § 48-608, Plaintiffs seek to recover actual damages in an amount to be determined at trial; an order enjoining GM's unfair, unlawful, and/or deceptive practices; declaratory relief; restitution; punitive dames; attorneys' fees and costs; and any other relief available under the Idaho CPA that the Court deems just and proper.

33. COUNT 33 BREACH OF EXPRESS WARRANTY IDAHO CODE §§ 28-2-313 AND 28-12-210

- 1516. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1517. Idaho Plaintiff brings this cause of action on his own behalf and on behalf of the members of the Idaho Sub-Class.
 - 1518. GM is and was at all relevant times a "merchant" with respect to motor

vehicles under Idaho Code §§ 28-2-104(1) and 28-12-103(3), and a "seller" of motor vehicles under § 28-2-103(1)(d).

- 1519. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Idaho Code § 28-12-103(1)(p).
- 1520. The Class Vehicles are and were at all relevant times "goods" within the meaning of Idaho Code §§ 28-2-105(1) and 28-12-103(1)(h).
- 1521. GM provided all purchasers and lessees of the Class Vehicles with the express warranty described herein, which became a material part of the bargain.
- 1522. GM provided all purchasers and lessees of Cadillac-branded Class Vehicles with the Cadillac Warranty and all purchasers and lessees of Chevrolet or GM-branded Class Vehicles with the Chevrolet/GM Warranty.
- 1523. Under the Warranties, GM expressly warranted the following: "The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Accordingly, the warranty covered all defects except for "slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Because the Transmission Defect does not fall into any of the above excluded categories, it is covered under GM's express warranty. GM agreed to provide such repairs "including towing, parts, and labor . . . at no charge" for up to 3 years or 36,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles and for up to 4 years or 50,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Bumper-to-Bumper Limited Warranties").
- 1524. Furthermore, under the Powertrain Component of the Warranties, GMC expressly warranted that the powertrain components listed therein, including the transmission and "all internally lubricated parts, case, torque converter, mounts, seals, and gaskets as well as any electrical components internal to the transmission/

transaxle" and "any actuators directly connected to the transmission (slave cylinder, etc.)" are covered under the Warranties for up to 5 years or 60,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles, and for up to 6 years or 70,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Powertrain Warranties").

- 1525. GM manufactured and/or installed the 8L90 and 8L45 transmissions and the transmissions' component parts in the Class Vehicles, and the 8L90 and 8L45 transmissions and their component parts are covered by the express Warranties.
- 1526. The Transmission Defect at issue in this litigation was present at the time the Class Vehicles were sold or leased to Idaho Plaintiff and the Idaho Sub-Class Members.
- 1527. Plaintiffs relied on GM's express warranties, which were a material part of the bargain, when purchasing or leasing their Class Vehicles.
- 1528. Under the express Warranties, GM was obligated to correct the Transmission Defect in the vehicles owned or leased by Idaho Plaintiff and the Idaho Sub-Class Members.
- 1529. Although GM was obligated to correct the Transmission Defect, none of the attempted fixes to the transmissions are adequate under the terms of the Warranties, as they did not cure the defect.
- 1530. GM breached the express Warranties by performing illusory repairs. Rather than repairing the vehicles pursuant to the express Warranties, GM falsely informed Idaho Sub-Class Members that there was no problem with their Class Vehicles, performed ineffective procedures including software updates, and/or replaced defective components in the 8L90 and 8L45 transmissions with equally defective components, without actually repairing the Class Vehicles.
 - 1531. GM and its agent dealers have failed and refused to conform the 8L90

and 8L45 transmissions to the express Warranties. GM's conduct, as discussed throughout this Complaint, has voided any attempt on its part to disclaim liability for its actions.

- 1532. Moreover, GM's attempt to disclaim or limit these express Warranties vis-à-vis consumers is unconscionable and unenforceable under the circumstances here. Specifically, GM's warranty limitation is unenforceable because it knowingly sold a defective product without informing consumers about the defect.
- 1533. The time limits contained in GM's warranty period were also unconscionable and inadequate to protect Idaho Plaintiff and the Idaho Sub-Class Members. Among other things, Idaho Plaintiff and the Idaho Sub-Class Members had no meaningful choice in determining these time limitations, the terms of which unreasonably favored GM. A gross disparity in bargaining power existed between GM and the Class members, and GM knew or should have known that the Class Vehicles were defective at the time of sale.
- 1534. Idaho Plaintiff and the Idaho Sub-Class Members have complied with all obligations under the Warranties, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.
- 1535. Idaho Plaintiff and the Idaho Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal and external sources.
- 1536. Because GM, through its conduct and exemplified by its own service bulletins, has covered repairs of the Transmission Defect if GM determines the repairs are appropriately covered under the Warranties, GM cannot now deny that

the Warranties cover the Transmission Defect.

- 1537. Because GM has not been able to remedy the Transmission Defect, any limitation on remedies included in the Warranties causes the Warranties to fail their essential purposes, rendering these limitations null and void.
- 1538. As a direct and proximate cause of GM's breach, Idaho Plaintiff and the Idaho Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Idaho Plaintiff and the Idaho Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.
- 1539. As a direct and proximate result of GM's breach of express warranties, Idaho Plaintiff and the Idaho Sub-Class Members have been damaged in an amount to be determined at trial.

34. COUNT 34 BREACH OF THE IMPLIED WARRANTY OF MERCHANTABILITY IDAHO CODE §§ 28-2-314 AND 28-12-212

- 1540. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1541. Idaho Plaintiff brings this cause of action on his own behalf and on behalf of the members of the Idaho Sub-Class.
- 1542. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Idaho Code §§ 28-2-104(1) and 28-12-103(3), and a "seller" of motor vehicles under § 28-2-103(1)(d).
- 1543. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Idaho Code § 28-12-103(1)(p).

- 1544. The Class Vehicles are and were at all relevant times "goods" within the meaning of Idaho Code §§ 28-2-105(1) and 28-12-103(1)(h).
- 1545. A warranty that the Class Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used is implied by law pursuant to Idaho Code §§ 28-2-314 and 28-12-212.
- 1546. GM sold and/or leased Class Vehicles that were not in merchantable condition and/or fit for their ordinary purpose in violation of the implied warranty.
- 1547. GM knew or had reason to know of the specific use for which the Class Vehicles were purchased or leased. GM directly sold and marketed vehicles equipped with the 8L90 and 8L45 transmissions to customers through authorized dealers, like those from whom Idaho Plaintiff and the Idaho Sub-Class Members bought or leased their vehicles, for the intended purpose of consumers purchasing the vehicles. GM knew that the Class Vehicles would and did pass unchanged from the authorized dealers to Idaho Plaintiff and the Idaho Sub-Class Members, with no modification to the defective transmissions.
- 1548. GM provided Plaintiffs and Class Members with an implied warranty that the Class Vehicles and their components and parts are merchantable and fit for the ordinary purposes for which they were sold.
- 1549. This implied warranty included, among other things: (i) a warranty that the Class Vehicles and their transmissions that were manufactured, supplied, distributed, and/or sold by GM were safe and reliable for providing transportation; and (ii) a warranty that the Class Vehicles and their transmissions would be fit for their intended use while the Class Vehicles were being operated.
- 1550. Contrary to the applicable implied warranties, the Class Vehicles and their transmissions at the time of sale and thereafter were not fit for their ordinary and intended purpose of providing Plaintiffs and Class Members with reliable, durable, and safe transportation. Instead, the Class Vehicles are defective, including,

but not limited to, the defective design or manufacture of their transmissions and the existence of the Transmission Defect at the time of sale or lease and thereafter. GM knew of this defect at the time these sale or lease transactions occurred.

- 1551. As a result of GM's breach of the applicable implied warranties, Idaho Plaintiff and the Idaho Sub-Class Members of the Class Vehicles suffered an ascertainable loss of money, property, and/or value of their Class Vehicles. Additionally, as a result of the Transmission Defect, Idaho Plaintiff and the Idaho Sub-Class Members were harmed and suffered actual damages in that the Class Vehicles' transmission components are substantially certain to fail before their expected useful life has run.
- 1552. GM's actions, as complained of herein, breached the implied warranty that the Class Vehicles were of merchantable quality and fit for such use in violation of Idaho Code §§ 28-2-314 and 28-12-212.
- 1553. Idaho Plaintiff and the Idaho Sub-Class Members have complied with all obligations under the warranty, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.
- 1554. Idaho Plaintiff and the Idaho Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal sources.
- 1555. As a direct and proximate cause of GM's breach, Idaho Plaintiff and the Idaho Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Idaho Plaintiff and the Idaho Sub-Class Members

have incurred or will incur economic damages at the point of repair in the form of the cost of repair.

1556. As a direct and proximate result of GM's breach of the implied warranty of merchantability, Idaho Plaintiff and the Idaho Sub-Class Members have been damaged in an amount to be proven at trial.

K. Claims on Behalf of the Illinois Sub-Class

35. COUNT 35 VIOLATION OF THE ILLINOIS CONSUMER FRAUD AND DECEPTIVE BUSINESS PRACTICES ACT 815 ILCS 505/1, ET SEQ. AND 720 ILCS 295/1A

- 1557. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1558. Plaintiffs Timothy Grafrath, and Dennis Speerly ("Illinois Plaintiffs") brings this cause of action on his own behalf and on behalf of the members of the Illinois Sub-Class.
 - 1559. Defendant is a "person" as that term is defined in 815 ILCS 505/1(c).
- 1560. Illinois Plaintiff and the Illinois Sub-Class members are "consumers" as that term is defined in 815 ILCS 505/1(e).
- 1561. The purpose of the Illinois Consumer Fraud and Deceptive Business Practices Act ("Illinois CFA") is to enjoin trade practices which confuse or deceive the consumer. The Illinois CFA prohibits "unfair or deceptive acts or practices, including but not limited to the use or employment of any deception, fraud, false pretense, false promise, misrepresentation or the concealment, suppression, or omission of any material fact, with intent that others rely upon the concealment, suppression, or omission of such material fact ... in the conduct of trade or commerce ... whether any person has in fact been misled, deceived or damaged thereby." 815 ILCS 505/2.

1562. GM participated in deceptive trade practices that violated the Illinois CFA as described below and alleged throughout the Complaint. By failing to disclose the Transmission Defect, by concealing the Transmission Defect, by marketing its vehicles as safe, reliable, easily operable, efficient, and of high quality, and by presenting itself as a reputable manufacturer that valued safety, cleanliness, performance and efficiency, and stood behind its vehicles after they were sold, GM knowingly and intentionally misrepresented and omitted material facts in connection with the sale or lease of the Class Vehicles. GM systematically misrepresented, concealed, suppressed, or omitted material facts relating to the Class Vehicles and Transmission Defect in the course of its business.

1563. By systematically devaluing safety and concealing a plethora of defects in the 8L90 and 8L45 Transmissions and the Class Vehicles, GM engaged in unfair or deceptive practices prohibited by the Illinois CFA, including: (1) representing that the 8L90 and 8L45 Transmissions and the Class Vehicles have characteristics, uses, benefits, and qualities which they do not have; (2) representing that the 8L90 and 8L45 Transmissions and the Class Vehicles are of a particular standard, quality, and grade when they are not; and (3) advertising the 8L90 and 8L45 Transmissions and the Class Vehicles with the intent not to sell them as advertised.

1564. GM also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale of the Class Vehicles.

1565. GM's unfair and deceptive acts or practices occurred repeatedly in GM's trade or business, were capable of deceiving a substantial portion of the purchasing public, and imposed a serious safety risk on the public.

1566. GM's methods of competition and unfair, deceptive acts were likely to and did in fact deceive reasonable consumers.

- 1567. GM knew that the Class Vehicles and their transmissions suffered from an inherent defect, were defectively designed or manufactured, and were not suitable for their intended use.
- 1568. GM knew or should have known that its conduct violated the Illinois CFA.
- 1569. Illinois Plaintiff and the Illinois Sub-Class Members reasonably relied on GM's misrepresentations and omissions of material facts in its advertisements of the Class Vehicles and in the purchase of the Class Vehicles.
- 1570. Had Illinois Plaintiff and the Illinois Sub-Class Members known that the Class Vehicles would exhibit the Transmission Defect, they would not have purchased or leased the Class Vehicles, or would have paid less for them. Plaintiffs did not receive the benefit of their bargain as a result of GM's misconduct.
- 1571. GM owed Illinois Plaintiff and the Illinois Sub-Class Members a duty to disclose the truth about the Transmission Defect because GM: (a) possessed exclusive knowledge of the Class Vehicles and the Transmission Defect; (b) intentionally concealed the foregoing from Illinois Plaintiff and the Illinois Sub-Class Members; and/or (c) made incomplete representations regarding the quality and durability of the Class Vehicles, while purposefully withholding material facts from Illinois Plaintiff and the Illinois Sub-Class Members that contradicted these representations.
- 1572. Due to GM's specific and superior knowledge that the transmissions in the Class Vehicles will fail due to the Transmission Defect, its false representations regarding the increased durability of the Class Vehicles, and reliance by Illinois Plaintiff and the Illinois Sub-Class Members on these material representations, GM had a duty to disclose to Class members that the 8L90 and 8L45 transmissions will cause failure in Class Vehicles, that Class Vehicles do not have the expected durability, reliability, and/or safety over other vehicles or of their predecessor

class Vehicle engines and engine systems, and that Class members would be required to bear the cost of the damage to their vehicles. Having volunteered to provide information to Illinois Plaintiff and the Illinois Sub-Class Members, GM had the duty to disclose not just the partial truth, but the entire truth. These omitted and concealed facts were material because they directly impact the value of the Class Vehicles purchased or leased by Illinois Plaintiff and the Illinois Sub-Class Members. Longevity, durability, performance, and safety are material concerns to GM truck consumers. GM represented to Illinois Plaintiff and the Illinois Sub-Class Members that they were purchasing or leasing vehicles that were durable, reliable, safe, efficient, of high quality, and containing transmissions of advanced and superior characteristics and technology as alleged throughout this Complaint, when in fact it is only a matter of time before the transmissions fail due to the Transmission Defect.

- 1573. Illinois Plaintiff and the Illinois Sub-Class Members suffered injury in fact to a legally protected interest. As a result of GM's conduct, Illinois Plaintiff and the Illinois Sub-Class Members were harmed and suffered actual damages in the form of the diminished value of their vehicles.
- 1574. As a result of GM's conduct, Illinois Plaintiff and the Illinois Sub-Class Members were harmed and suffered actual damages as a result of GM's misrepresentations and omissions with regard to their Class Vehicles' transmissions because they purchased vehicles which do not perform as advertised.
- 1575. As a direct and proximate result of GM's unfair or deceptive acts or practices, Illinois Plaintiff and the Illinois Sub-Class Members suffered and will continue to suffer injury in fact and/or actual damages.
- 1576. GM's violations present a continuing risk to Illinois Plaintiff and the Illinois Sub-Class Members as well as to the general public. GM's unlawful acts and

practices complained of herein affect the public interest.

1577. Pursuant to 815 ILCS 505/10a(a), Illinois Plaintiff and the Illinois Sub-Class Members seek monetary relief against GM in the amount of actual damages, as well as punitive damages because GM acted with fraud and/or malice and/or was grossly negligent.

1578. Illinois Plaintiff and the Illinois Sub-Class Members also seeks attorneys' fees, and any other just and proper relief available under 815 Ill. Comp. Stat. § 505/1, et seq.

36. COUNT 36 BREACH OF EXPRESS WARRANTY 810 ILL. COMP. STAT. §§ 5/2-313 AND 5/2A-210

- 1579. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1580. Illinois Plaintiff brings this cause of action on his own behalf and on behalf of the members of the Illinois Sub-Class.
- 1581. GM is and was at all relevant times a "merchant" with respect to motor vehicles under 810 Ill. Comp. Stat. §§ 5/2-104(1) and 5/2A-103(3), and a "seller" of motor vehicles under § 5/2-103(1)(d).
- 1582. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under 810 III. Comp. Stat. § 5/2A-103(1)(p).
- 1583. The Class Vehicles are and were at all relevant times "goods" within the meaning of 810 Ill. Comp. Stat. §§ 5/2-105(1) and 5/2A-103(1)(h).
- 1584. GM provided all purchasers and lessees of the Class Vehicles with the express warranty described herein, which became a material part of the bargain.
- 1585. GM provided all purchasers and lessees of Cadillac-branded Class Vehicles with the Cadillac Warranty and all purchasers and lessees of Chevrolet or GM-branded Class Vehicles with the Chevrolet/GM Warranty.

1586. Under the Warranties, GM expressly warranted the following: "The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Accordingly, the warranty covered all defects except for "slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Because the Transmission Defect does not fall into any of the above excluded categories, it is covered under GM's express warranty. GM agreed to provide such repairs "including towing, parts, and labor . . . at no charge" for up to 3 years or 36,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles and for up to 4 years or 50,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Bumper-to-Bumper Limited Warranties").

1587. Furthermore, under the Powertrain Component of the Warranties, GMC expressly warranted that the powertrain components listed therein, including the transmission and "all internally lubricated parts, case, torque converter, mounts, seals, and gaskets as well as any electrical components internal to the transmission/transaxle" and "any actuators directly connected to the transmission (slave cylinder, etc.)" are covered under the Warranties for up to 5 years or 60,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles, and for up to 6 years or 70,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Powertrain Warranties").

1588. GM manufactured and/or installed the 8L90 and 8L45 transmissions and the transmissions' component parts in the Class Vehicles, and the 8L90 and 8L45 transmissions and their component parts are covered by the express Warranties.

- 1589. The Transmission Defect at issue in this litigation was present at the time the Class Vehicles were sold or leased to Illinois Plaintiff and the Illinois Sub-Class Members.
- 1590. Plaintiffs relied on GM's express warranties, which were a material part of the bargain, when purchasing or leasing their Class Vehicles.
- 1591. Under the express Warranties, GM was obligated to correct the Transmission Defect in the vehicles owned or leased by Illinois Plaintiff and the Illinois Sub-Class Members.
- 1592. Although GM was obligated to correct the Transmission Defect, none of the attempted fixes to the transmissions are adequate under the terms of the Warranties, as they did not cure the defect.
- 1593. GM breached the express Warranties by performing illusory repairs. Rather than repairing the vehicles pursuant to the express Warranties, GM falsely informed Illinois Sub-Class Members that there was no problem with their Class Vehicles, performed ineffective procedures including software updates, and/or replaced defective components in the 8L90 and 8L45 transmissions with equally defective components, without actually repairing the Class Vehicles.
- 1594. GM and its agent dealers have failed and refused to conform the 8L90 and 8L45 transmissions to the express Warranties. GM's conduct, as discussed throughout this Complaint, has voided any attempt on its part to disclaim liability for its actions.
- 1595. Moreover, GM's attempt to disclaim or limit these express Warranties vis-à-vis consumers is unconscionable and unenforceable under the circumstances here. Specifically, GM's warranty limitation is unenforceable because it knowingly sold a defective product without informing consumers about the defect.
- 1596. The time limits contained in GM's warranty period were also unconscionable and inadequate to protect Illinois Plaintiff and the Illinois Sub-Class

Members. Among other things, Illinois Plaintiff and the Illinois Sub-Class Members had no meaningful choice in determining these time limitations, the terms of which unreasonably favored GM. A gross disparity in bargaining power existed between GM and the Class members, and GM knew or should have known that the Class Vehicles were defective at the time of sale.

1597. Illinois Plaintiff and the Illinois Sub-Class Members have complied with all obligations under the Warranties, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

1598. Illinois Plaintiff and the Illinois Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal and external sources.

1599. Because GM, through its conduct and exemplified by its own service bulletins, has covered repairs of the Transmission Defect if GM determines the repairs are appropriately covered under the Warranties, GM cannot now deny that the Warranties cover the Transmission Defect.

1600. Because GM has not been able to remedy the Transmission Defect, any limitation on remedies included in the Warranties causes the Warranties to fail their essential purposes, rendering them null and void.

1601. As a direct and proximate cause of GM's breach, Illinois Plaintiff and the Illinois Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Illinois Plaintiff and the Illinois Sub-Class

Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.

1602. As a direct and proximate result of GM's breach of express warranties, Illinois Plaintiff and the Illinois Sub-Class Members have been damaged in an amount to be determined at trial.

37. COUNT 37 BREACH OF THE IMPLIED WARRANTY OF MERCHANTABILITY 810 ILL. COMP. STAT. §§ 5/2-314 AND 5/2A-212

- 1603. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1604. Illinois Plaintiff brings this cause of action on his own behalf and on behalf of the members of the Illinois Sub-Class.
- 1605. GM is and was at all relevant times a "merchant" with respect to motor vehicles under 810 Ill. Comp. Stat. §§ 5/2-104(1) and 5/2A-103(3), and a "seller" of motor vehicles under § 5/2-103(1)(d).
- 1606. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under 810 Ill. Comp. Stat. § 5/2A-103(1)(p).
- 1607. The Class Vehicles are and were at all relevant times "goods" within the meaning of 810 Ill. Comp. Stat. §§ 5/2-105(1) and 5/2A-103(1)(h).
- 1608. A warranty that the Class Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used is implied by law under 810 Ill. Comp. Stat. §§ 5/2-314 and 5/2A-212.
- 1609. GM knew or had reason to know of the specific use for which the Class Vehicles were purchased or leased. GM directly sold and marketed vehicles equipped with the 8L90 and 8L45 transmissions to customers through authorized dealers, like those from whom Illinois Plaintiff and the Illinois Sub-Class Members

bought or leased their vehicles, for the intended purpose of consumers purchasing the vehicles. GM knew that the Class Vehicles would and did pass unchanged from the authorized dealers to Illinois Plaintiff and the Illinois Sub-Class Members, with no modification to the defective transmissions.

- 1610. GM provided Plaintiffs and Class Members with an implied warranty that the Class Vehicles and their components and parts are merchantable and fit for the ordinary purposes for which they were sold.
- 1611. This implied warranty included, among other things: (i) a warranty that the Class Vehicles and their transmissions that were manufactured, supplied, distributed, and/or sold by GM were safe and reliable for providing transportation; and (ii) a warranty that the Class Vehicles and their transmissions would be fit for their intended use while the Class Vehicles were being operated.
- 1612. Contrary to the applicable implied warranties, the Class Vehicles and their transmissions at the time of sale and thereafter were not fit for their ordinary and intended purpose of providing Plaintiffs and Class Members with reliable, durable, and safe transportation. Instead, the Class Vehicles are defective, including, but not limited to, the defective design or manufacture of their transmissions and the existence of the Transmission Defect at the time of sale or lease and thereafter. GM knew of this defect at the time these sale or lease transactions occurred.
- 1613. As a result of GM's breach of the applicable implied warranties, Illinois Plaintiff and the Illinois Sub-Class Members of the Class Vehicles suffered an ascertainable loss of money, property, and/or value of their Class Vehicles. Additionally, as a result of the Transmission Defect, Illinois Plaintiff and the Illinois Sub-Class Members were harmed and suffered actual damages in that the Class Vehicles' transmission components are substantially certain to fail before their expected useful life has run.

- 1614. GM's actions, as complained of herein, breached the implied warranty that the Class Vehicles were of merchantable quality and fit for such use in violation of 810 Ill. Comp. Stat. §§ 5/2-314 and 5/2A-212.
- 1615. Illinois Plaintiff and the Illinois Sub-Class Members have complied with all obligations under the warranty, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.
- 1616. Illinois Plaintiff and the Illinois Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal sources.
- 1617. As a direct and proximate cause of GM's breach, Illinois Plaintiff and the Illinois Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Illinois Plaintiff and the Illinois Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.
- 1618. As a direct and proximate result of GM's breach of the implied warranty of merchantability, Illinois Plaintiff and the Illinois Sub-Class Members have been damaged in an amount to be proven at trial.

L.Claims on Behalf of the Indiana Sub-Class

38. COUNT 38 BREACH OF EXPRESS WARRANTY IND. CODE §§ 26-1-2-313 AND 26-1-2.1-210

1619. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.

- 1620. Plaintiffs Samuel Ford and Philip Whicker bring this cause of action on their own behalf and on behalf of the members of the Indiana Sub-Class.
- 1621. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Ind. Code §§ 26-1-2-104(1) and 26-1-2.1-103(3), and a "seller" of motor vehicles under § 26-1-2-103(1)(d).
- 1622. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Ind. Code § 26-1-2.1-103(1)(p).
- 1623. The Class Vehicles are and were at all relevant times "goods" within the meaning of Ind. Code §§ 26-1-2-105(1) and 26-1-2.1-103(1)(h).
- 1624. GM provided all purchasers and lessees of the Class Vehicles with the express warranty described herein, which became a material part of the bargain.
- 1625. GM provided all purchasers and lessees of Cadillac-branded Class Vehicles with the Cadillac Warranty and all purchasers and lessees of Chevrolet or GM-branded Class Vehicles with the Chevrolet/GM Warranty.
- 1626. Under the Warranties, GM expressly warranted the following: "The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Accordingly, the warranty covered all defects except for "slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Because the Transmission Defect does not fall into any of the above excluded categories, it is covered under GM's express warranty. GM agreed to provide such repairs "including towing, parts, and labor . . . at no charge" for up to 3 years or 36,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles and for up to 4 years or 50,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Bumper-to-Bumper Limited Warranties").
 - 1627. Furthermore, under the Powertrain Component of the Warranties, GMC

expressly warranted that the powertrain components listed therein, including the transmission and "all internally lubricated parts, case, torque converter, mounts, seals, and gaskets as well as any electrical components internal to the transmission/transaxle" and "any actuators directly connected to the transmission (slave cylinder, etc.)" are covered under the Warranties for up to 5 years or 60,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles, and for up to 6 years or 70,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Powertrain Warranties").

- 1628. GM manufactured and/or installed the 8L90 and 8L45 transmissions and the transmissions' component parts in the Class Vehicles, and the 8L90 and 8L45 transmissions and their component parts are covered by the express Warranties.
- 1629. The Transmission Defect at issue in this litigation was present at the time the Class Vehicles were sold or leased to Indiana Plaintiff and the Indiana Sub-Class Members.
- 1630. Plaintiffs relied on GM's express warranties, which were a material part of the bargain, when purchasing or leasing their Class Vehicles.
- 1631. Under the express Warranties, GM was obligated to correct the Transmission Defect in the vehicles owned or leased by Indiana Plaintiff and the Indiana Sub-Class Members.
- 1632. Although GM was obligated to correct the Transmission Defect, none of the attempted fixes to the transmissions are adequate under the terms of the Warranties, as they did not cure the defect.
- 1633. GM breached the express Warranties by performing illusory repairs. Rather than repairing the vehicles pursuant to the express Warranties, GM falsely informed Indiana Sub-Class Members that there was no problem with their Class Vehicles, performed ineffective procedures including software updates, and/or

replaced defective components in the 8L90 and 8L45 transmissions with equally defective components, without actually repairing the Class Vehicles.

1634. GM and its agent dealers have failed and refused to conform the 8L90 and 8L45 transmissions to the express Warranties. GM's conduct, as discussed throughout this Complaint, has voided any attempt on its part to disclaim liability for its actions.

1635. Moreover, GM's attempt to disclaim or limit these express Warranties vis-à-vis consumers is unconscionable and unenforceable under the circumstances here. Specifically, GM's warranty limitation is unenforceable because it knowingly sold a defective product without informing consumers about the defect.

1636. The time limits contained in GM's warranty period were also unconscionable and inadequate to protect Indiana Plaintiff and the Indiana Sub-Class Members. Among other things, Indiana Plaintiff and the Indiana Sub-Class Members had no meaningful choice in determining these time limitations, the terms of which unreasonably favored GM. A gross disparity in bargaining power existed between GM and the Class members, and GM knew or should have known that the Class Vehicles were defective at the time of sale.

1637. Indiana Plaintiff and the Indiana Sub-Class Members have complied with all obligations under the Warranties, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

1638. Indiana Plaintiff and the Indiana Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal and external sources.

- 1639. Because GM, through its conduct and exemplified by its own service bulletins, has covered repairs of the Transmission Defect if GM determines the repairs are appropriately covered under the Warranties, GM cannot now deny that the Warranties cover the Transmission Defect.
- 1640. Because GM has not been able to remedy the Transmission Defect, any limitation on remedies included in the Warranties causes the Warranties to fail their essential purposes, rendering them null and void.
- 1641. As a direct and proximate cause of GM's breach, Indiana Plaintiff and the Indiana Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Indiana Plaintiff and the Indiana Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.
- 1642. As a direct and proximate result of GM's breach of express warranties, Indiana Plaintiff and the Indiana Sub-Class Members have been damaged in an amount to be determined at trial.

39. COUNT 39 BREACH OF THE IMPLIED WARRANTY OF MERCHANTABILITY IND. CODE § § 26-1-2-314 AND 26-1-2.1-212

- 1643. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1644. Indiana Plaintiff brings this cause of action on his own behalf and on behalf of the members of the Indiana Sub-Class.
- 1645. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Ind. Code §§ 26-1-2-104(1) and 26-1-2.1-103(3), and a "seller" of motor vehicles under § 26-1-2-103(1)(d).

- 1646. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under IND. CODE § 26-1-2.1-103(1)(p).
- 1647. The Class Vehicles are and were at all relevant times "goods" within the meaning of Ind. Code §§ 26-1-2-105(1) and 26-1-2.1-103(1)(h).
- 1648. A warranty that the Class Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used is implied by law under Ind. Code § 26-1-2-314 and 26-1-2.1-212.
- 1649. GM knew or had reason to know of the specific use for which the Class Vehicles were purchased or leased. GM directly sold and marketed vehicles equipped with the 8L90 and 8L45 transmissions to customers through authorized dealers, like those from whom Indiana Plaintiff and the Indiana Sub-Class Members bought or leased their vehicles, for the intended purpose of consumers purchasing the vehicles. GM knew that the Class Vehicles would and did pass unchanged from the authorized dealers to Indiana Plaintiff and the Indiana Sub-Class Members, with no modification to the defective transmissions.
- 1650. GM provided Plaintiffs and Class Members with an implied warranty that the Class Vehicles and their components and parts are merchantable and fit for the ordinary purposes for which they were sold.
- 1651. This implied warranty included, among other things: (i) a warranty that the Class Vehicles and their transmissions that were manufactured, supplied, distributed, and/or sold by GM were safe and reliable for providing transportation; and (ii) a warranty that the Class Vehicles and their transmissions would be fit for their intended use while the Class Vehicles were being operated.
- 1652. Contrary to the applicable implied warranties, the Class Vehicles and their transmissions at the time of sale and thereafter were not fit for their ordinary and intended purpose of providing Plaintiffs and Class Members with reliable, durable, and safe transportation. Instead, the Class Vehicles are defective, including,

but not limited to, the defective design or manufacture of their transmissions and the existence of the Transmission Defect at the time of sale or lease and thereafter. GM knew of this defect at the time these sale or lease transactions occurred.

1653. As a result of GM's breach of the applicable implied warranties, Indiana Plaintiff and the Indiana Sub-Class Members of the Class Vehicles suffered an ascertainable loss of money, property, and/or value of their Class Vehicles. Additionally, as a result of the Transmission Defect, Indiana Plaintiff and the Indiana Sub-Class Members were harmed and suffered actual damages in that the Class Vehicles' transmission components are substantially certain to fail before their expected useful life has run.

1654. GM's actions, as complained of herein, breached the implied warranty that the Class Vehicles were of merchantable quality and fit for such use in violation of Ind. Code § 26-1-2-314 and 26-1-2.1-212.

1655. Indiana Plaintiff and the Indiana Sub-Class Members have complied with all obligations under the warranty, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

1656. Indiana Plaintiff and the Indiana Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal sources.

1657. As a direct and proximate cause of GM's breach, Indiana Plaintiff and the Indiana Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Indiana Plaintiff and the Indiana Sub-Class Members have incurred or will incur economic damages at the point of repair in the

form of the cost of repair.

1658. As a direct and proximate result of GM's breach of the implied warranties of merchantability and that the Class Vehicles were fit for ordinary use, Indiana Plaintiff and the Indiana Sub-Class are entitled to either rescission or damages in an amount to be proven at trial.

M. Claims on Behalf of the Kansas Sub-Class

40. COUNT 40 VIOLATION OF THE KANSAS CONSUMER PROTECTION ACT KAN. STAT. ANN. § 50-623, ET SEO.

- 1659. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1660. Plaintiff Guy Clark ("Kansas Plaintiff") brings this cause of action on his own behalf and on behalf of the members of the Kansas Sub-Class.
- 1661. GM is a "supplier" under the Kansas Consumer Protection Act ("Kansas CPA"), Kan. Stat. Ann. § 50-624(1).
- 1662. Kansas Class members are "consumers," within the meaning of Kan. Stat. Ann. § 50-624(b), who purchased or leased one or more Class Vehicles.
- 1663. The sale or lease of the Class Vehicles to the Kansas Class members was a "consumer transaction" within the meaning of Kan. Stat. Ann. § 50-624(c).
- 1664. The Kansas CPA states that "[n]o supplier shall engage in any deceptive act or practice in connection with a consumer transaction," Kan. Stat. Ann. § 50-626(a), and that deceptive acts or practices include: (1) knowingly making representations or with reason to know that "(A) Property or services have sponsorship, approval, accessories, characteristics, ingredients, uses, benefits or quantities that they do not have;" and "(D) property or services are of particular standard, quality, grade, style or model, if they are of another which differs

materially from the representation;" "(2) the willful use, in any oral or written representation, of exaggeration, falsehood, innuendo or ambiguity as to a material fact;" and "(3) the willful failure to state a material fact, or the willful concealment, suppression, or omission of a material fact." The Kansas CPA also provides that "[n]o supplier shall engage in any unconscionable act or practice in connection with a consumer transaction." Kan. Stat. Ann. § 50-627(a).

1665. GM participated in misleading, false, or deceptive acts that violated the Kansas CPA as described below and alleged throughout the Complaint. By failing to disclose the Transmission Defect, by concealing the Transmission Defect, by marketing its vehicles as safe, reliable, easily operable, efficient, and of high quality, and by presenting itself as a reputable manufacturer that valued safety, cleanliness, performance and efficiency, and stood behind its vehicles after they were sold, GM knowingly and intentionally misrepresented and omitted material facts in connection with the sale or lease of the Class Vehicles. GM systematically misrepresented, concealed, suppressed, or omitted material facts relating to the Class Vehicles and Transmission Defect in the course of its business.

1666. GM also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale of the Class Vehicles.

1667. GM's unfair and deceptive acts or practices occurred repeatedly in GM's trade or business, were capable of deceiving a substantial portion of the purchasing public, and imposed a serious safety risk on the public.

1668. GM knew that the Class Vehicles and their transmissions suffered from an inherent defect, were defectively designed or manufactured, and were not suitable for their intended use.

1669. GM knew or should have known that its conduct violated the Kansas

CPA.

1670. Kansas Plaintiff and the Kansas Sub-Class Members reasonably relied on GM's misrepresentations and omissions of material facts in its advertisements of the Class Vehicles and in the purchase of the Class Vehicles.

1671. Had Kansas Plaintiff and the Kansas Sub-Class Members known that the Class Vehicles would exhibit the Transmission Defect, they would not have purchased or leased the Class Vehicles, or would have paid less for them. Plaintiffs did not receive the benefit of their bargain as a result of GM's misconduct.

1672. GM owed Kansas Plaintiff and the Kansas Sub-Class Members a duty to disclose the truth about the Transmission Defect because GM: (a) possessed exclusive knowledge of the Class Vehicles and the Transmission Defect; (b) intentionally concealed the foregoing from Kansas Plaintiff and the Kansas Sub-Class Members; and/or (c) made incomplete representations regarding the quality and durability of the Class Vehicles, while purposefully withholding material facts from Kansas Plaintiff and the Kansas Sub-Class Members that contradicted these representations.

1673. Due to GM's specific and superior knowledge that the transmissions in the Class Vehicles will fail due to the Transmission Defect, its false representations regarding the increased durability of the Class Vehicles, and reliance by Kansas Plaintiff and the Kansas Sub-Class Members on these material representations, GM had a duty to disclose to Class members that the 8L90 and 8L45 transmissions will cause failure in Class Vehicles, that Class Vehicles do not have the expected durability, reliability, and/or safety over other vehicles or of their predecessor transmissions, that failure of the 8L90 and 8L45 transmissions will cause damage to Class Vehicle engines and engine systems, and that Class members would be required to bear the cost of the damage to their vehicles. Having volunteered to provide information to Kansas Plaintiff and the Kansas Sub-Class Members, GM

had the duty to disclose not just the partial truth, but the entire truth. These omitted and concealed facts were material because they directly impact the value of the Class Vehicles purchased or leased by Kansas Plaintiff and the Kansas Sub-Class Members. Longevity, durability, performance, and safety are material concerns to GM truck consumers. GM represented to Kansas Plaintiff and the Kansas Sub-Class Members that they were purchasing or leasing vehicles that were durable, reliable, safe, efficient, of high quality, and containing transmissions of advanced and superior characteristics and technology as alleged throughout this Complaint, when in fact it is only a matter of time before the transmissions fail due to the Transmission Defect.

- 1674. Kansas Plaintiff and the Kansas Sub-Class Members suffered injury in fact to a legally protected interest. As a result of GM's conduct, Kansas Plaintiff and the Kansas Sub-Class Members were harmed and suffered actual damages in the form of the diminished value of their vehicles.
- 1675. As a result of GM's conduct, Kansas Plaintiff and the Kansas Sub-Class Members were harmed and suffered actual damages as a result of GM's misrepresentations and omissions with regard to their Class Vehicles' transmissions because they purchased vehicles which do not perform as advertised.
- 1676. As a direct and proximate result of GM's unfair or deceptive acts or practices, Kansas Plaintiff and the Kansas Sub-Class Members suffered and will continue to suffer injury in fact and/or actual damages.
- 1677. GM's violations present a continuing risk to Kansas Plaintiff and the Kansas Sub-Class Members as well as to the general public. GM's unlawful acts and practices complained of herein affect the public interest. Specifically: (1) the number of consumers affected by GM's deceptive practices are in the hundreds of thousands nation-wide; (2) GM has significantly high sophistication and bargaining power with respect to the manufacture and sale of the Class Vehicles to Plaintiffs and individual

Class members; and (3) so long as the Class Vehicles continue to be sold and distributed with the defective transmissions, the likelihood of continued impact on other consumers is significant.

1678. Pursuant to Kan. Stat. Ann. § 50-634, Kansas Plaintiff and the Kansas Sub-Class Members seek monetary relief against GM measured as the greater of (a) actual damages in an amount to be determined at trial and (b) statutory damages in the amount of \$10,000 for Kansas Plaintiff and each Kansas Sub-Class Member. GM's conduct warrants an assessment of punitive damages in an amount sufficient to deter such conduct in the future, which amount is to be determined according to proof.

1679. Kansas Plaintiff and the Kansas Sub-Class Members also seek an order enjoining GM's unfair, unlawful, and/or deceptive practices, declaratory relief, attorneys' fees, and any other just and proper relief available under Kan. Stat. Ann. § 50-623, *et seq*.

41. COUNT 41 BREACH OF EXPRESS WARRANTY KAN. STAT. ANN. §§ 84-2-314 AND 84-2A-210

- 1680. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1681. Kansas Plaintiff brings this cause of action on his own behalf and on behalf of the members of the Kansas Sub-Class.
- 1682. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Kan. Stat. Ann. §§ 84-2-104(1) and 84-2A-103(3), and a "seller" of motor vehicles under § 84-2-103(1)(d).
- 1683. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Kan. Stat. Ann. § 84-2A-103(1)(p).

- 1684. The Class Vehicles are and were at all relevant times "goods" within the meaning of Kan. Stat. Ann. §§ 84-2-105(1) and 84-2A-103(1)(h).
- 1685. GM provided all purchasers and lessees of the Class Vehicles with the express warranty described herein, which became a material part of the bargain.
- 1686. GM provided all purchasers and lessees of Cadillac-branded Class Vehicles with the Cadillac Warranty and all purchasers and lessees of Chevrolet or GM-branded Class Vehicles with the Chevrolet/GM Warranty.
- 1687. Under the Warranties, GM expressly warranted the following: "The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Accordingly, the warranty covered all defects except for "slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Because the Transmission Defect does not fall into any of the above excluded categories, it is covered under GM's express warranty. GM agreed to provide such repairs "including towing, parts, and labor . . . at no charge" for up to 3 years or 36,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles and for up to 4 years or 50,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Bumper-to-Bumper Limited Warranties").
- 1688. Furthermore, under the Powertrain Component of the Warranties, GMC expressly warranted that the powertrain components listed therein, including the transmission and "all internally lubricated parts, case, torque converter, mounts, seals, and gaskets as well as any electrical components internal to the transmission/transaxle" and "any actuators directly connected to the transmission (slave cylinder, etc.)" are covered under the Warranties for up to 5 years or 60,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles, and for up to 6 years or

70,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Powertrain Warranties").

- 1689. GM manufactured and/or installed the 8L90 and 8L45 transmissions and the transmissions' component parts in the Class Vehicles, and the 8L90 and 8L45 transmissions and their component parts are covered by the express Warranties.
- 1690. The Transmission Defect at issue in this litigation was present at the time the Class Vehicles were sold or leased to Kansas Plaintiff and the Kansas Sub-Class Members.
- 1691. Plaintiffs relied on GM's express warranties, which were a material part of the bargain, when purchasing or leasing their Class Vehicles.
- 1692. Under the express Warranties, GM was obligated to correct the Transmission Defect in the vehicles owned or leased by Kansas Plaintiff and the Kansas Sub-Class Members.
- 1693. Although GM was obligated to correct the Transmission Defect, none of the attempted fixes to the transmissions are adequate under the terms of the Warranties, as they did not cure the defect.
- 1694. GM breached the express Warranties by performing illusory repairs. Rather than repairing the vehicles pursuant to the express Warranties, GM falsely informed Kansas Sub-Class Members that there was no problem with their Class Vehicles, performed ineffective procedures including software updates, and/or replaced defective components in the 8L90 and 8L45 transmissions with equally defective components, without actually repairing the Class Vehicles.
- 1695. GM and its agent dealers have failed and refused to conform the 8L90 and 8L45 transmissions to the express Warranties. GM's conduct, as discussed throughout this Complaint, has voided any attempt on its part to disclaim liability for its actions.

1696. Moreover, GM's attempt to disclaim or limit these express Warranties vis-à-vis consumers is unconscionable and unenforceable under the circumstances here. Specifically, GM's warranty limitation is unenforceable because it knowingly sold a defective product without informing consumers about the defect.

1697. The time limits contained in GM's warranty period were also unconscionable and inadequate to protect Kansas Plaintiff and the Kansas Sub-Class Members. Among other things, Kansas Plaintiff and the Kansas Sub-Class Members had no meaningful choice in determining these time limitations, the terms of which unreasonably favored GM. A gross disparity in bargaining power existed between GM and the Class members, and GM knew or should have known that the Class Vehicles were defective at the time of sale.

1698. Kansas Plaintiff and the Kansas Sub-Class Members have complied with all obligations under the Warranties, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

1699. Kansas Plaintiff and the Kansas Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal and external sources.

1700. Because GM, through its conduct and exemplified by its own service bulletins, has covered repairs of the Transmission Defect if GM determines the repairs are appropriately covered under the Warranties, GM cannot now deny that the Warranties cover the Transmission Defect.

- 1701. Because GM has not been able to remedy the Transmission Defect, any limitation on remedies included in the Warranties causes the Warranties to fail their essential purposes, rendering them null and void.
- 1702. As a direct and proximate cause of GM's breach, Kansas Plaintiff and the Kansas Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Kansas Plaintiff and the Kansas Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.
- 1703. As a direct and proximate result of GM's breach of express warranties, Kansas Plaintiff and the Kansas Sub-Class Members have been damaged in an amount to be determined at trial.

42. COUNT 42 BREACH OF THE IMPLIED WARRANTY OF MERCHANTABILITY KAN. STAT. ANN. §§ 84-2-314 AND 84-2A-212

- 1704. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1705. Kansas Plaintiff brings this cause of action on his own behalf and on behalf of the members of the Kansas Sub-Class.
- 1706. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Kan. Stat. Ann. §§ 84-2-104(1) and 84-2A-103(3), and a "seller" of motor vehicles under § 84-2-103(1)(d).
- 1707. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Kan. Stat. Ann. § 84-2A-103(1)(p).
- 1708. The Class Vehicles are and were at all relevant times "goods" within the meaning of Kan. Stat. Ann. §§ 84-2-105(1) and 84-2A-103(1)(h).

1709. A warranty that the Class Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used is implied by law under Kan. Stat. Ann. §§ 84-2-314 and 84-2A-212.

1710. GM knew or had reason to know of the specific use for which the Class Vehicles were purchased or leased. GM directly sold and marketed vehicles equipped with the 8L90 and 8L45 transmissions to customers through authorized dealers, like those from whom Kansas Plaintiff and the Kansas Sub-Class Members bought or leased their vehicles, for the intended purpose of consumers purchasing the vehicles. GM knew that the Class Vehicles would and did pass unchanged from the authorized dealers to Kansas Plaintiff and the Kansas Sub-Class Members, with no modification to the defective transmissions.

1711. GM provided Plaintiffs and Class Members with an implied warranty that the Class Vehicles and their components and parts are merchantable and fit for the ordinary purposes for which they were sold.

1712. This implied warranty included, among other things: (i) a warranty that the Class Vehicles and their transmissions that were manufactured, supplied, distributed, and/or sold by GM were safe and reliable for providing transportation; and (ii) a warranty that the Class Vehicles and their transmissions would be fit for their intended use while the Class Vehicles were being operated.

1713. Contrary to the applicable implied warranties, the Class Vehicles and their transmissions at the time of sale and thereafter were not fit for their ordinary and intended purpose of providing Plaintiffs and Class Members with reliable, durable, and safe transportation. Instead, the Class Vehicles are defective, including, but not limited to, the defective design or manufacture of their transmissions and the existence of the Transmission Defect at the time of sale or lease and thereafter. GM knew of this defect at the time these sale or lease transactions occurred.

1714. As a result of GM's breach of the applicable implied warranties, Kansas Plaintiff and the Kansas Sub-Class Members of the Class Vehicles suffered an ascertainable loss of money, property, and/or value of their Class Vehicles. Additionally, as a result of the Transmission Defect, Kansas Plaintiff and the Kansas Sub-Class Members were harmed and suffered actual damages in that the Class Vehicles' transmission components are substantially certain to fail before their expected useful life has run.

1715. GM's actions, as complained of herein, breached the implied warranty that the Class Vehicles were of merchantable quality and fit for such use in violation of Kan. Stat. Ann. §§ 84-2-314 and 84-2A-212.

1716. Kansas Plaintiff and the Kansas Sub-Class Members have complied with all obligations under the warranty, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

1717. Kansas Plaintiff and the Kansas Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal sources.

1718. As a direct and proximate cause of GM's breach, Kansas Plaintiff and the Kansas Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Kansas Plaintiff and the Kansas Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.

1719. As a direct and proximate result of GM's breach of the implied warranty of merchantability, Kansas Plaintiff and the Kansas Sub-Class Members

have been damaged in an amount to be proven at trial.

N. Claims on Behalf of the Kentucky Sub-Class

43. COUNT 43 VIOLATION OF THE KENTUCKY CONSUMER PROTECTION ACT KY. REV. STAT. § 367.110, ET SEQ.

- 1720. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1721. Plaintiff James Norvell ("Kentucky Plaintiff") brings this cause of action on his own behalf and on behalf of the members of the Kentucky Sub-Class.
- 1722. The Kentucky Plaintiff and Kentucky Sub-Class members are "persons" within the meaning of Ky. Rev. Stat. § 367.110(1).
- 1723. GM is engaged in "trade" or "commerce" within the meaning of Ky. Rev. Stat. § 367.110(2).
- 1724. The Kentucky Consumer Protection Act ("CPA") prohibits "[u]nfair, false, misleading, or deceptive acts or practices in the conduct of any trade or commerce" Ky. Rev. Stat. § 367.170(1). The Kentucky CPA has defined "unfair" to "be construed to mean unconscionable." Ky. Rev. Stat. § 367.170(2).
- 1725. GM concealed the fact that Class Vehicles had defective transmissions that made them unsafe to drive and told various GM dealers and service technicians that the vehicles were operating "as [d]esigned" and that the symptoms were "normal" (if widespread enough). These GM dealers and service technicians passed this mis-information onto Class Members, as evidenced by the various consumer complaints alleging that someone—such as a GM "dealer" or "service manager"—told them the defect's symptoms were "normal." Additionally, Kentucky Plaintiff was told that his vehicle's jolting, lurching, and jerking were "normal" and that the problem would "resolve itself" after a break-in period.

- 1726. GM violated the Kentucky CPA by, at minimum, representing that the Class Vehicles have characteristics, uses, benefits, and qualities which they do not have; representing that the Class Vehicles are of a particular standard and quality when they are not; advertising the Class Vehicles with the intent not to sell them as advertised; and omitting material facts in describing the Class Vehicles.
- 1727. GM's acts and practices, as described throughout this Complaint, constitute "unfair, false, misleading, or deceptive acts or practices in the conduct of trade or commerce" that are unlawful, as enumerated in Ky. Rev. Stat. § 367.170(2).
- 1728. GM intentionally and knowingly misrepresented material facts regarding the Class Vehicles with the intent to mislead the Kentucky Plaintiff and the Class.
- 1729. GM knew or should have known that its conducted violated the Kentucky CPA.
- 1730. GM's fraudulent concealment of the true characteristics of the defective transmissions in the Class Vehicles were material to the Kentucky Plaintiff and Class members.
- 1731. GM's violations present a continuing risk to Plaintiffs as well as to the general public. GM's unlawful acts and practices complained of herein affect the public interest.
- 1732. GM had an ongoing duty to its customers to refrain from unfair and deceptive practices under the Kentucky CPA. All owners of Class Vehicles suffered ascertainable loss in the form of the diminished value of their vehicles as a result of GM's deceptive and unfair acts and practices made in the course of GM's business.
- 1733. As a direct and proximate result of GM's violations of the Kentucky CPA, the Kentucky Plaintiff and the Class have suffered injury-in-fact and/or actual damage.
 - 1734. Pursuant to Ky. Rev. Stat. § 367.220, Plaintiffs seek to recover actual 355

damages in an amount to be determined at trial; an order enjoining GM's unfair, unlawful, and/or deceptive practices; declaratory relief; punitive damages; attorneys' fees and costs; and any other relief available under Ky. Rev. Stat. § 367.220 that the Court deems just and proper.

44. COUNT 44 BREACH OF EXPRESS WARRANTY KY. REV. STAT. §§ 355.2-313 AND 355.2A-210

- 1735. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1736. Kentucky Plaintiff brings this cause of action on his own behalf and on behalf of the members of the Kentucky Sub-Class.
- 1737. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Ky. Rev. Stat. §§ 355.2-104(1) and 355.2A-103(3), and a "seller" of motor vehicles under § 355.2-103(1)(d).
- 1738. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Ky. Rev. Stat. § 355.2A-103(1)(p).
- 1739. The Class Vehicles are and were at all relevant times "goods" within the meaning of Ky. Rev. Stat. §§ 355.2-105(1) and 355.2A-103(1)(h).
- 1740. GM provided all purchasers and lessees of the Class Vehicles with the express warranty described herein, which became a material part of the bargain.
- 1741. GM provided all purchasers and lessees of Cadillac-branded Class Vehicles with the Cadillac Warranty and all purchasers and lessees of Chevrolet or GM-branded Class Vehicles with the Chevrolet/GM Warranty.
- 1742. Under the Warranties, GM expressly warranted the following: "The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Accordingly, the warranty covered all defects

except for "slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Because the Transmission Defect does not fall into any of the above excluded categories, it is covered under GM's express warranty. GM agreed to provide such repairs "including towing, parts, and labor . . . at no charge" for up to 3 years or 36,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles and for up to 4 years or 50,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Bumper-to-Bumper Limited Warranties").

1743. Furthermore, under the Powertrain Component of the Warranties, GMC expressly warranted that the powertrain components listed therein, including the transmission and "all internally lubricated parts, case, torque converter, mounts, seals, and gaskets as well as any electrical components internal to the transmission/transaxle" and "any actuators directly connected to the transmission (slave cylinder, etc.)" are covered under the Warranties for up to 5 years or 60,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles, and for up to 6 years or 70,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Powertrain Warranties").

1744. GM manufactured and/or installed the 8L90 and 8L45 transmissions and the transmissions' component parts in the Class Vehicles, and the 8L90 and 8L45 transmissions and their component parts are covered by the express Warranties.

1745. The Transmission Defect at issue in this litigation was present at the time the Class Vehicles were sold or leased to Kentucky Plaintiff and the Kentucky Sub-Class Members.

1746. Plaintiffs relied on GM's express warranties, which were a material part of the bargain, when purchasing or leasing their Class Vehicles.

1747. Under the express Warranties, GM was obligated to correct the

Transmission Defect in the vehicles owned or leased by Kentucky Plaintiff and the Kentucky Sub-Class Members.

1748. Although GM was obligated to correct the Transmission Defect, none of the attempted fixes to the transmissions are adequate under the terms of the Warranties, as they did not cure the defect.

1749. GM breached the express Warranties by performing illusory repairs. Rather than repairing the vehicles pursuant to the express Warranties, GM falsely informed Kentucky Sub-Class Members that there was no problem with their Class Vehicles, performed ineffective procedures including software updates, and/or replaced defective components in the 8L90 and 8L45 transmissions with equally defective components, without actually repairing the Class Vehicles.

1750. GM and its agent dealers have failed and refused to conform the 8L90 and 8L45 transmissions to the express Warranties. GM's conduct, as discussed throughout this Complaint, has voided any attempt on its part to disclaim liability for its actions.

1751. Moreover, GM's attempt to disclaim or limit these express Warranties vis-à-vis consumers is unconscionable and unenforceable under the circumstances here. Specifically, GM's warranty limitation is unenforceable because it knowingly sold a defective product without informing consumers about the defect.

1752. The time limits contained in GM's warranty period were also unconscionable and inadequate to protect Kentucky Plaintiff and the Kentucky Sub-Class Members. Among other things, Kentucky Plaintiff and the Kentucky Sub-Class Members had no meaningful choice in determining these time limitations, the terms of which unreasonably favored GM. A gross disparity in bargaining power existed between GM and the Class members, and GM knew or should have known that the Class Vehicles were defective at the time of sale.

1753. Kentucky Plaintiff and the Kentucky Sub-Class Members have

complied with all obligations under the Warranties, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

1754. Kentucky Plaintiff and the Kentucky Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal and external sources.

1755. Because GM, through its conduct and exemplified by its own service bulletins, has covered repairs of the Transmission Defect if GM determines the repairs are appropriately covered under the Warranties, GM cannot now deny that the Warranties cover the Transmission Defect.

1756. Because GM has not been able to remedy the Transmission Defect, any limitation on remedies included in the Warranties causes the Warranties to fail their essential purposes, rendering these limitations null and void.

1757. As a direct and proximate cause of GM's breach, Kentucky Plaintiff and the Kentucky Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Kentucky Plaintiff and the Kentucky Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.

1758. As a direct and proximate result of GM's breach of express warranties, Kentucky Plaintiff and the Kentucky Sub-Class Members have been damaged in an amount to be determined at trial.

45. COUNT 45 BREACH OF THE IMPLIED WARRANTY OF MERCHANTABILITY KY. REV. STAT. §§ 355.2-314 AND 355.2A-312

- 1759. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1760. Kentucky Plaintiff brings this cause of action on his own behalf and on behalf of the members of the Kentucky Sub-Class.
- 1761. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Ky. Rev. Stat. §§ 355.2-104(1) and 355.2A-103(3), and a "seller" of motor vehicles under Ky Rev. Stat. § 355.2-103(1)(d).
 - 1762. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Ky. Rev. Stat. § 355.2A-103(1)(p).
- 1763. The Class Vehicles are and were at all relevant times "goods" within the meaning of Ky. Rev. Stat. §§ 355.2-105(1) and 355.2A-103(1)(h).
- 1764. A warranty that the Class Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used is implied by law pursuant to Ky. Rev. Stat. §§ 335.2-314 and 355.2A-212.
- 1765. GM sold and/or leased Class Vehicles that were not in merchantable condition and/or fit for their ordinary purpose in violation of the implied warranty.
- 1766. GM knew or had reason to know of the specific use for which the Class Vehicles were purchased or leased. GM directly sold and marketed vehicles equipped with the 8L90 and 8L45 transmissions to customers through authorized dealers, like those from whom Kentucky Plaintiff and the Kentucky Sub-Class Members bought or leased their vehicles, for the intended purpose of consumers purchasing the vehicles. GM knew that the Class Vehicles would and did pass unchanged from the authorized dealers to Kentucky Plaintiff and the Kentucky Sub-Class Members, with no modification to the defective transmissions.

1767. GM provided Plaintiffs and Class Members with an implied warranty that the Class Vehicles and their components and parts are merchantable and fit for the ordinary purposes for which they were sold.

1768. This implied warranty included, among other things: (i) a warranty that the Class Vehicles and their transmissions that were manufactured, supplied, distributed, and/or sold by GM were safe and reliable for providing transportation; and (ii) a warranty that the Class Vehicles and their transmissions would be fit for their intended use while the Class Vehicles were being operated.

1769. Contrary to the applicable implied warranties, the Class Vehicles and their transmissions at the time of sale and thereafter were not fit for their ordinary and intended purpose of providing Plaintiffs and Class Members with reliable, durable, and safe transportation. Instead, the Class Vehicles are defective, including, but not limited to, the defective design or manufacture of their transmissions and the existence of the Transmission Defect at the time of sale or lease and thereafter. GM knew of this defect at the time these sale or lease transactions occurred.

1770. As a result of GM's breach of the applicable implied warranties, Kentucky Plaintiff and the Kentucky Sub-Class Members of the Class Vehicles suffered an ascertainable loss of money, property, and/or value of their Class Vehicles. Additionally, as a result of the Transmission Defect, Kentucky Plaintiff and the Kentucky Sub-Class Members were harmed and suffered actual damages in that the Class Vehicles' transmission components are substantially certain to fail before their expected useful life has run.

1771. GM's actions, as complained of herein, breached the implied warranty that the Class Vehicles were of merchantable quality and fit for such use in violation of Ky. Rev. Stat. §§ 335.2-314 and 355.2A-212.

- 1772. Kentucky Plaintiff and the Kentucky Sub-Class Members have complied with all obligations under the warranty, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.
- 1773. Kentucky Plaintiff and the Kentucky Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal sources.
- 1774. As a direct and proximate cause of GM's breach, Kentucky Plaintiff and the Kentucky Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Kentucky Plaintiff and the Kentucky Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.
- 1775. As a direct and proximate result of GM's breach of the implied warranty of merchantability, Kentucky Plaintiff and the Kentucky Sub-Class Members have been damaged in an amount to be proven at trial.

O. Claims on Behalf of the Louisiana Sub-Class

46. COUNT 46 VIOLATION OF THE LOUISIANA UNFAIR TRADE PRACTICES AND CONSUMER PROTECTION LAW LA. STAT. ANN. § 51:1401, ET SEQ.

- 1776. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1777. Plaintiff Donald Dykshorn ("Louisiana Plaintiff") brings this cause of action on his own behalf and on behalf of the members of the Louisiana Sub-Class.

- 1778. GM, Plaintiffs, and Louisiana Class members are "persons" within the meaning of the La. Stat. Ann. § 51:1402(8).
- 1779. Plaintiffs and Louisiana Class members are "consumers" within the meaning of La. Stat. Ann. § 51:1402(1).
- 1780. GM engaged in "trade" or "commerce" within the meaning of La. Stat. Ann. § 51:1402(9).
- 1781. The Louisiana Unfair Trade Practices and Consumer Protection Law ("Louisiana CPL") makes unlawful "unfair or deceptive acts or practices in the conduct of any trade or commerce." La. Stat. Ann. § 51:1405(A).
- 1782. GM participated in misleading, false, or deceptive acts that violated the Louisiana CPL as described below and alleged throughout the Complaint. By failing to disclose the Transmission Defect, by concealing the Transmission Defect, by marketing its vehicles as safe, reliable, easily operable, efficient, and of high quality, and by presenting itself as a reputable manufacturer that valued safety, cleanliness, performance and efficiency, and stood behind its vehicles after they were sold, GM knowingly and intentionally misrepresented and omitted material facts in connection with the sale or lease of the Class Vehicles. GM systematically misrepresented, concealed, suppressed, or omitted material facts relating to the Class Vehicles and Transmission Defect in the course of its business.
- 1783. GM also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale of the Class Vehicles.
- 1784. GM's unfair and deceptive acts or practices occurred repeatedly in GM's trade or business, were capable of deceiving a substantial portion of the purchasing public, and imposed a serious safety risk on the public.
 - 1785. GM knew that the Class Vehicles and their transmissions suffered from

an inherent defect, were defectively designed or manufactured, and were not suitable for their intended use.

1786. GM knew or should have known that its conduct violated the Louisiana CPL.

1787. Louisiana Plaintiff and the Louisiana Sub-Class Members reasonably relied on GM's misrepresentations and omissions of material facts in its advertisements of the Class Vehicles and in the purchase of the Class Vehicles.

1788. GM's unfair or deceptive acts or practices were likely to and did in fact deceive reasonable consumers.

1789. Had Louisiana Plaintiff and the Louisiana Sub-Class Members known that the Class Vehicles would exhibit the Transmission Defect, they would not have purchased or leased the Class Vehicles, or would have paid less for them. Plaintiffs did not receive the benefit of their bargain as a result of GM's misconduct.

1790. GM owed Louisiana Plaintiff and the Louisiana Sub-Class Members a duty to disclose the truth about the Transmission Defect because GM: (a) possessed exclusive knowledge of the Class Vehicles and the Transmission Defect; (b) intentionally concealed the foregoing from Louisiana Plaintiff and the Louisiana Sub-Class Members; and/or (c) made incomplete representations regarding the quality and durability of the Class Vehicles, while purposefully withholding material facts from Louisiana Plaintiff and the Louisiana Sub-Class Members that contradicted these representations.

1791. Due to GM's specific and superior knowledge that the transmissions in the Class Vehicles will fail due to the Transmission Defect, its false representations regarding the increased durability of the Class Vehicles, and reliance by Louisiana Plaintiff and the Louisiana Sub-Class Members on these material representations, GM had a duty to disclose to Class members that the 8L90 and 8L45 transmissions will cause failure in Class Vehicles, that Class Vehicles do not have the expected

durability, reliability, and/or safety over other vehicles or of their predecessor transmissions, that failure of the 8L90 and 8L45 transmissions will cause damage to Class Vehicle engines and engine systems, and that Class members would be required to bear the cost of the damage to their vehicles. Having volunteered to provide information to Louisiana Plaintiff and the Louisiana Sub-Class Members, GM had the duty to disclose not just the partial truth, but the entire truth. These omitted and concealed facts were material because they directly impact the value of the Class Vehicles purchased or leased by Louisiana Plaintiff and the Louisiana Sub-Class Members. Longevity, durability, performance, and safety are material concerns to GM truck consumers. GM represented to Louisiana Plaintiff and the Louisiana Sub-Class Members that they were purchasing or leasing vehicles that were durable, reliable, safe, efficient, of high quality, and containing transmissions of advanced and superior characteristics and technology as alleged throughout this Complaint, when in fact it is only a matter of time before the transmissions fail due to the Transmission Defect.

1792. Louisiana Plaintiff and the Louisiana Sub-Class Members suffered injury in fact to a legally protected interest. As a result of GM's conduct, Louisiana Plaintiff and the Louisiana Sub-Class Members were harmed and suffered actual damages in the form of the diminished value of their vehicles.

1793. As a result of GM's conduct, Louisiana Plaintiff and the Louisiana Sub-Class Members were harmed and suffered actual damages as a result of GM's misrepresentations and omissions with regard to their Class Vehicles' transmissions because they purchased vehicles which do not perform as advertised.

1794. As a direct and proximate result of GM's unfair or deceptive acts or practices, Louisiana Plaintiff and the Louisiana Sub-Class Members suffered and will continue to suffer injury in fact and/or actual damages.

1795. GM's violations present a continuing risk to Louisiana Plaintiff and the

Louisiana Sub-Class Members as well as to the general public. GM's unlawful acts and practices complained of herein affect the public interest. Specifically: (1) the number of consumers affected by GM's deceptive practices are in the hundreds of thousands nation-wide; (2) GM has significantly high sophistication and bargaining power with respect to the manufacture and sale of the Class Vehicles to Plaintiffs and individual Class members; and (3) so long as the Class Vehicles continue to be sold and distributed with the defective transmissions, the likelihood of continued impact on other consumers is significant.

1796. Pursuant to La. Stat. Ann. § 51:1409, Louisiana Plaintiff and the Louisiana Sub-Class Members seek to recover actual damages in an amount to be determined at trial; treble damages for GM's knowing violations of the Louisiana CPL; an order enjoining GM's unfair, unlawful, and/or deceptive practices; declaratory relief; attorneys' fees; and any other just and proper relief available under La. Stat. Ann. § 51:1409.

47. COUNT 47 BREACH OF EXPRESS WARRANTY LA. REV. STAT. ANN. § 9:2800.52

- 1797. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1798. Louisiana Plaintiff brings this cause of action on his own behalf and on behalf of the members of the Louisiana Sub-Class.
- 1799. GM is and was at all relevant times a ""manufacturer" within the meaning of La. Rev. Stat. Ann. § 9:2800.53.
- 1800. The Class Vehicles are and were at all relevant times are "Products" within the meaning of La. Rev. Stat. Ann. § 9:2800.53.
- 1801. GM provided all purchasers and lessees of the Class Vehicles with the express warranty described herein, which became a material part of the bargain.

1802. GM provided all purchasers and lessees of Cadillac-branded Class Vehicles with the Cadillac Warranty and all purchasers and lessees of Chevrolet or GM-branded Class Vehicles with the Chevrolet/GM Warranty.

1803. Under the Warranties, GM expressly warranted the following: "The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Accordingly, the warranty covered all defects except for "slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Because the Transmission Defect does not fall into any of the above excluded categories, it is covered under GM's express warranty. GM agreed to provide such repairs "including towing, parts, and labor . . . at no charge" for up to 3 years or 36,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles and for up to 4 years or 50,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Bumper-to-Bumper Limited Warranties").

1804. Furthermore, under the Powertrain Component of the Warranties, GMC expressly warranted that the powertrain components listed therein, including the transmission and "all internally lubricated parts, case, torque converter, mounts, seals, and gaskets as well as any electrical components internal to the transmission/transaxle" and "any actuators directly connected to the transmission (slave cylinder, etc.)" are covered under the Warranties for up to 5 years or 60,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles, and for up to 6 years or 70,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Powertrain Warranties").

1805. GM manufactured and/or installed the 8L90 and 8L45 transmissions and the transmissions' component parts in the Class Vehicles, and the 8L90 and

8L45 transmissions and their component parts are covered by the express Warranties.

1806. The Transmission Defect at issue in this litigation was present at the time the Class Vehicles were sold or leased to Louisiana Plaintiff and the Louisiana Sub-Class Members.

1807. Plaintiffs relied on GM's express warranties, which were a material part of the bargain, when purchasing or leasing their Class Vehicles.

1808. Under the express Warranties, GM was obligated to correct the Transmission Defect in the vehicles owned or leased by Louisiana Plaintiff and the Louisiana Sub-Class Members.

1809. Although GM was obligated to correct the Transmission Defect, none of the attempted fixes to the transmissions are adequate under the terms of the Warranties, as they did not cure the defect.

1810. GM breached the express Warranties by performing illusory repairs. Rather than repairing the vehicles pursuant to the express Warranties, GM falsely informed Louisiana Sub-Class Members that there was no problem with their Class Vehicles, performed ineffective procedures including software updates, and/or replaced defective components in the 8L90 and 8L45 transmissions with equally defective components, without actually repairing the Class Vehicles.

1811. GM and its agent dealers have failed and refused to conform the 8L90 and 8L45 transmissions to the express Warranties. GM's conduct, as discussed throughout this Complaint, has voided any attempt on its part to disclaim liability for its actions.

1812. Moreover, GM's attempt to disclaim or limit these express Warranties vis-à-vis consumers is unconscionable and unenforceable under the circumstances here. Specifically, GM's warranty limitation is unenforceable because it knowingly sold a defective product without informing consumers about the defect.

- 1813. The time limits contained in GM's warranty period were also unconscionable and inadequate to protect Louisiana Plaintiff and the Louisiana Sub-Class Members. Among other things, Louisiana Plaintiff and the Louisiana Sub-Class Members had no meaningful choice in determining these time limitations, the terms of which unreasonably favored GM. A gross disparity in bargaining power existed between GM and the Class members, and GM knew or should have known that the Class Vehicles were defective at the time of sale.
- 1814. Louisiana Plaintiff and the Louisiana Sub-Class Members have complied with all obligations under the Warranties, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.
- 1815. Louisiana Plaintiff and the Louisiana Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal and external sources.
- 1816. Because GM, through its conduct and exemplified by its own service bulletins, has covered repairs of the Transmission Defect if GM determines the repairs are appropriately covered under the Warranties, GM cannot now deny that the Warranties cover the Transmission Defect.
- 1817. Because GM has not been able to remedy the Transmission Defect, any limitation on remedies included in the Warranties causes the Warranties to fail their essential purposes, rendering them null and void.
- 1818. As a direct and proximate cause of GM's breach, Louisiana Plaintiff and the Louisiana Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution

of value of their Class Vehicles. Additionally, Louisiana Plaintiff and the Louisiana Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.

1819. As a direct and proximate result of GM's breach of express warranties, Louisiana Plaintiff and the Louisiana Sub-Class Members have been damaged in an amount to be determined at trial.

48. COUNT 48 BREACH OF THE IMPLIED WARRANTY OF MERCHANTABILITY / WARRANTY AGAINST REDHIBITORY DEFECTS LA. CIV. CODE ART. 2520, 2524

- 1820. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1821. Louisiana Plaintiff brings this cause of action on his own behalf and on behalf of the members of the Louisiana Sub-Class.
- 1822. GM was a merchant with respect to motor vehicles within the meaning of the La. Civ. Code Art. 2520, 2524.
- 1823. Under La. Civ. Code Art. 2520 and 2524, a warranty that the Class Vehicles did not have redhibitory defects was implied by law in the transactions when Louisiana Plaintiff and the Louisiana Sub-Class Members purchased or leased their Class Vehicles from GM.
- 1824. GM knew or had reason to know of the specific use for which the Class Vehicles were purchased or leased. GM directly sold and marketed vehicles equipped with the 8L90 and 8L45 transmissions to customers through authorized dealers, like those from whom Louisiana Plaintiff and the Louisiana Sub-Class Members bought or leased their vehicles, for the intended purpose of consumers purchasing the vehicles. GM knew that the Class Vehicles would and did pass

unchanged from the authorized dealers to Louisiana Plaintiff and the Louisiana Sub-Class Members, with no modification to the defective transmissions.

1825. GM provided Plaintiffs and Class Members with an implied warranty that the Class Vehicles and their components and parts are merchantable and fit for the ordinary purposes for which they were sold.

1826. This implied warranty included, among other things: (i) a warranty that the Class Vehicles and their transmissions that were manufactured, supplied, distributed, and/or sold by GM were safe and reliable for providing transportation; and (ii) a warranty that the Class Vehicles and their transmissions would be fit for their intended use while the Class Vehicles were being operated.

1827. Contrary to the applicable implied warranties, the Class Vehicles and their transmissions at the time of sale and thereafter were not fit for their ordinary and intended purpose of providing Plaintiffs and Class Members with reliable, durable, and safe transportation. Instead, the Class Vehicles are defective, including, but not limited to, the defective design or manufacture of their transmissions and the existence of the Transmission Defect at the time of sale or lease and thereafter. GM knew of this defect at the time these sale or lease transactions occurred.

1828. As a result of GM's breach of the applicable implied warranties, Louisiana Plaintiff and the Louisiana Sub-Class Members of the Class Vehicles suffered an ascertainable loss of money, property, and/or value of their Class Vehicles. Additionally, as a result of the Transmission Defect, Louisiana Plaintiff and the Louisiana Sub-Class Members were harmed and suffered actual damages in that the Class Vehicles' transmission components are substantially certain to fail before their expected useful life has run.

1829. GM's actions, as complained of herein, breached the implied warranty that the Class Vehicles were of merchantable quality and fit for such use in violation of La. Civ. Code Art. 2520 and 2524.

- 1830. Louisiana Plaintiff and the Louisiana Sub-Class Members have complied with all obligations under the warranty, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.
- 1831. Louisiana Plaintiff and the Louisiana Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal sources.
- 1832. As a direct and proximate cause of GM's breach, Louisiana Plaintiff and the Louisiana Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Louisiana Plaintiff and the Louisiana Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.
- 1833. As a direct and proximate result of GM's breach of the implied warranty of merchantability, Louisiana Plaintiff and the Louisiana Sub-Class Members have been damaged in an amount to be proven at trial.

P. Claims on Behalf of the Maine Sub-Class

49. COUNT 49 VIOLATION OF THE MAINE UNFAIR TRADE PRACTICES ACT ME. REV. STAT. ANN. TIT. 5, § 205-A, ET SEQ.

- 1834. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1835. Plaintiff Carl Johnsen ("Maine Plaintiff") brings this cause of action on his own behalf and on behalf of the members of the Maine Sub-Class.

- 1836. The Maine Unfair Trade Practices Act ("Maine UTPA") makes unlawful "[u]nfair methods of competition and unfair or deceptive acts or practices in the conduct of any trade or commerce." Me. Rev. Stat. Ann. tit. 5, § 207.
- 1837. GM, Maine Plaintiff and the Maine Sub-Class Members are "persons" within the meaning of Me. Rev. Stat. Ann. tit. § 5, 206(2).
- 1838. GM was and is engaged in "trade" or "commerce" within the meaning Me. Rev. Stat. Ann. tit. § 5, 206(3).
- 1839. GM participated in misleading, false, or deceptive acts that violated the Maine UTPA as described below and alleged throughout the Complaint. By failing to disclose the Transmission Defect, by concealing the Transmission Defect, by marketing its vehicles as safe, reliable, easily operable, efficient, and of high quality, and by presenting itself as a reputable manufacturer that valued safety, cleanliness, performance and efficiency, and stood behind its vehicles after they were sold, GM knowingly and intentionally misrepresented and omitted material facts in connection with the sale or lease of the Class Vehicles. GM systematically misrepresented, concealed, suppressed, or omitted material facts relating to the Class Vehicles and Transmission Defect in the course of its business.
- 1840. GM also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale of the Class Vehicles.
- 1841. GM's unfair and deceptive acts or practices occurred repeatedly in GM's trade or business, were capable of deceiving a substantial portion of the purchasing public, and imposed a serious safety risk on the public.
- 1842. GM knew that the Class Vehicles and their transmissions suffered from an inherent defect, were defectively designed or manufactured, and were not suitable for their intended use.

1843. GM knew or should have known that its conduct violated the Maine UTPA.

1844. Maine Plaintiff and the Maine Sub-Class Members reasonably relied on GM's misrepresentations and omissions of material facts in its advertisements of the Class Vehicles and in the purchase of the Class Vehicles.

1845. Had Maine Plaintiff and the Maine Sub-Class Members known that the Class Vehicles would exhibit the Transmission Defect, they would not have purchased or leased the Class Vehicles, or would have paid less for them. Plaintiffs did not receive the benefit of their bargain as a result of GM's misconduct.

1846. GM owed Maine Plaintiff and the Maine Sub-Class Members a duty to disclose the truth about the Transmission Defect because GM: (a) possessed exclusive knowledge of the Class Vehicles and the Transmission Defect; (b) intentionally concealed the foregoing from Maine Plaintiff and the Maine Sub-Class Members; and/or (c) made incomplete representations regarding the quality and durability of the Class Vehicles, while purposefully withholding material facts from Maine Plaintiff and the Maine Sub-Class Members that contradicted these representations.

1847. Due to GM's specific and superior knowledge that the transmissions in the Class Vehicles will fail due to the Transmission Defect, its false representations regarding the increased durability of the Class Vehicles, and reliance by Maine Plaintiff and the Maine Sub-Class Members on these material representations, GM had a duty to disclose to Class members that the 8L90 and 8L45 transmissions will cause failure in Class Vehicles, that Class Vehicles do not have the expected durability, reliability, and/or safety over other vehicles or of their predecessor transmissions, that failure of the 8L90 and 8L45 transmissions will cause damage to Class Vehicle engines and engine systems, and that Class members would be required to bear the cost of the damage to their vehicles. Having volunteered to

provide information to Maine Plaintiff and the Maine Sub-Class Members, GM had the duty to disclose not just the partial truth, but the entire truth. These omitted and concealed facts were material because they directly impact the value of the Class Vehicles purchased or leased by Maine Plaintiff and the Maine Sub-Class Members. Longevity, durability, performance, and safety are material concerns to GM truck consumers. GM represented to Maine Plaintiff and the Maine Sub-Class Members that they were purchasing or leasing vehicles that were durable, reliable, safe, efficient, of high quality, and containing transmissions of advanced and superior characteristics and technology as alleged throughout this Complaint, when in fact it is only a matter of time before the transmissions fail due to the Transmission Defect.

- 1848. Maine Plaintiff and the Maine Sub-Class Members suffered injury in fact to a legally protected interest. As a result of GM's conduct, Maine Plaintiff and the Maine Sub-Class Members were harmed and suffered actual damages in the form of the diminished value of their vehicles.
- 1849. As a result of GM's conduct, Maine Plaintiff and the Maine Sub-Class Members were harmed and suffered actual damages as a result of GM's misrepresentations and omissions with regard to their Class Vehicles' transmissions because they purchased vehicles which do not perform as advertised.
- 1850. As a direct and proximate result of GM's unfair or deceptive acts or practices, Maine Plaintiff and the Maine Sub-Class Members suffered and will continue to suffer injury in fact and/or actual damages.
- 1851. Defendant's violations present a continuing risk to Maine Plaintiff and the Maine Sub-Class Members as well as to the general public. Defendant's unlawful acts and practices complained of herein affect the public interest.
- 1852. Pursuant to Me. Rev. Stat. Ann. tit. 5 § 213, Maine Plaintiff and the Maine Sub-Class Members seek an order enjoining GM's unfair and/or deceptive acts or practices, damages, punitive damages, and attorneys' fees, costs, and any

other just and proper relief available under the Maine UTPA.

50. COUNT 50 BREACH OF EXPRESS WARRANTY ME. REV. STAT. ANN. TIT. 11 §§ 2-313 AND 2-1210

- 1853. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1854. Maine Plaintiff brings this cause of action on his own behalf and on behalf of the members of the Maine Sub-Class.
- 1855. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Me. Rev. Stat. Ann. tit. 11, §§ 2-104(1) and 2-1103(3), and a "seller" of motor vehicles under § 2-103(1)(d).
- 1856. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Me. Rev. Stat. Ann. tit. 11,§ 2-1103(1)(p).
- 1857. The Class Vehicles are and were at all relevant times "goods" within the meaning of Me. Rev. Stat. Ann. tit. 11,§§ 2-105(1), and 2-1103(1)(h).
- 1858. GM provided all purchasers and lessees of the Class Vehicles with the express warranty described herein, which became a material part of the bargain.
- 1859. GM provided all purchasers and lessees of Cadillac-branded Class Vehicles with the Cadillac Warranty and all purchasers and lessees of Chevrolet or GM-branded Class Vehicles with the Chevrolet/GM Warranty.
- 1860. Under the Warranties, GM expressly warranted the following: "The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Accordingly, the warranty covered all defects except for "slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Because the Transmission Defect does not fall into any of the above excluded categories, it is

covered under GM's express warranty. GM agreed to provide such repairs "including towing, parts, and labor . . . at no charge" for up to 3 years or 36,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles and for up to 4 years or 50,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Bumper-to-Bumper Limited Warranties").

- 1861. Furthermore, under the Powertrain Component of the Warranties, GMC expressly warranted that the powertrain components listed therein, including the transmission and "all internally lubricated parts, case, torque converter, mounts, seals, and gaskets as well as any electrical components internal to the transmission/transaxle" and "any actuators directly connected to the transmission (slave cylinder, etc.)" are covered under the Warranties for up to 5 years or 60,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles, and for up to 6 years or 70,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Powertrain Warranties").
- 1862. GM manufactured and/or installed the 8L90 and 8L45 transmissions and the transmissions' component parts in the Class Vehicles, and the 8L90 and 8L45 transmissions and their component parts are covered by the express Warranties.
- 1863. The Transmission Defect at issue in this litigation was present at the time the Class Vehicles were sold or leased to Maine Plaintiff and the Maine Sub-Class Members.
- 1864. Plaintiffs relied on GM's express warranties, which were a material part of the bargain, when purchasing or leasing their Class Vehicles.
- 1865. Under the express Warranties, GM was obligated to correct the Transmission Defect in the vehicles owned or leased by Maine Plaintiff and the Maine Sub-Class Members.

1866. Although GM was obligated to correct the Transmission Defect, none of the attempted fixes to the transmissions are adequate under the terms of the Warranties, as they did not cure the defect.

1867. GM breached the express Warranties by performing illusory repairs. Rather than repairing the vehicles pursuant to the express Warranties, GM falsely informed Maine Sub-Class Members that there was no problem with their Class Vehicles, performed ineffective procedures including software updates, and/or replaced defective components in the 8L90 and 8L45 transmissions with equally defective components, without actually repairing the Class Vehicles.

1868. GM and its agent dealers have failed and refused to conform the 8L90 and 8L45 transmissions to the express Warranties. GM's conduct, as discussed throughout this Complaint, has voided any attempt on its part to disclaim liability for its actions.

1869. Moreover, GM's attempt to disclaim or limit these express Warranties vis-à-vis consumers is unconscionable and unenforceable under the circumstances here. Specifically, GM's warranty limitation is unenforceable because it knowingly sold a defective product without informing consumers about the defect.

1870. The time limits contained in GM's warranty period were also unconscionable and inadequate to protect Maine Plaintiff and the Maine Sub-Class Members. Among other things, Maine Plaintiff and the Maine Sub-Class Members had no meaningful choice in determining these time limitations, the terms of which unreasonably favored GM. A gross disparity in bargaining power existed between GM and the Class members, and GM knew or should have known that the Class Vehicles were defective at the time of sale.

1871. Maine Plaintiff and the Maine Sub-Class Members have complied with all obligations under the Warranties, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

- 1872. Maine Plaintiff and the Maine Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal and external sources.
- 1873. Because GM, through its conduct and exemplified by its own service bulletins, has covered repairs of the Transmission Defect if GM determines the repairs are appropriately covered under the Warranties, GM cannot now deny that the Warranties cover the Transmission Defect.
- 1874. Because GM has not been able to remedy the Transmission Defect, any limitation on remedies included in the Warranties causes the Warranties to fail their essential purposes, rendering them null and void.
- 1875. As a direct and proximate cause of GM's breach, Maine Plaintiff and the Maine Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Maine Plaintiff and the Maine Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.
- 1876. As a direct and proximate result of GM's breach of express warranties, Maine Plaintiff and the Maine Sub-Class Members have been damaged in an amount to be determined at trial.

51. COUNT 51 BREACH OF THE IMPLIED WARRANTY OF MERCHANTABILITY ME. REV. STAT. ANN. TIT. 11 §§ 2-314 AND 2-1212

- 1877. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1878. Maine Plaintiff brings this cause of action on his own behalf and on behalf of the members of the Maine Sub-Class.
- 1879. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Me. Rev. Stat. Ann. tit. 11, §§ 2-104(1) and 2-1103(3), and a "seller" of motor vehicles under § 2-103(1)(d).
- 1880. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Me. Rev. Stat. Ann. tit. 11,§ 2-1103(1)(p).
- 1881. The Class Vehicles are and were at all relevant times "goods" within the meaning of Me. Rev. Stat. Ann. tit. 11,§§ 2-105(1), and 2-1103(1)(h).
- 1882. A warranty that the Class Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used is implied by law under Me. Rev. Stat. Ann. tit. 11, §§ 2-314 and 2-1212.
- 1883. GM knew or had reason to know of the specific use for which the Class Vehicles were purchased or leased. GM directly sold and marketed vehicles equipped with the 8L90 and 8L45 transmissions to customers through authorized dealers, like those from whom Maine Plaintiff and the Maine Sub-Class Members bought or leased their vehicles, for the intended purpose of consumers purchasing the vehicles. GM knew that the Class Vehicles would and did pass unchanged from the authorized dealers to Maine Plaintiff and the Maine Sub-Class Members, with no modification to the defective transmissions.

1884. GM provided Plaintiffs and Class Members with an implied warranty that the Class Vehicles and their components and parts are merchantable and fit for the ordinary purposes for which they were sold.

1885. This implied warranty included, among other things: (i) a warranty that the Class Vehicles and their transmissions that were manufactured, supplied, distributed, and/or sold by GM were safe and reliable for providing transportation; and (ii) a warranty that the Class Vehicles and their transmissions would be fit for their intended use while the Class Vehicles were being operated.

1886. Contrary to the applicable implied warranties, the Class Vehicles and their transmissions at the time of sale and thereafter were not fit for their ordinary and intended purpose of providing Plaintiffs and Class Members with reliable, durable, and safe transportation. Instead, the Class Vehicles are defective, including, but not limited to, the defective design or manufacture of their transmissions and the existence of the Transmission Defect at the time of sale or lease and thereafter. GM knew of this defect at the time these sale or lease transactions occurred.

1887. As a result of GM's breach of the applicable implied warranties, Maine Plaintiff and the Maine Sub-Class Members of the Class Vehicles suffered an ascertainable loss of money, property, and/or value of their Class Vehicles. Additionally, as a result of the Transmission Defect, Maine Plaintiff and the Maine Sub-Class Members were harmed and suffered actual damages in that the Class Vehicles' transmission components are substantially certain to fail before their expected useful life has run.

1888. GM's actions, as complained of herein, breached the implied warranty that the Class Vehicles were of merchantable quality and fit for such use in violation Me. Rev. Stat. Ann. tit. 11, §§ 2-314 and 2-1212.

1889. Maine Plaintiff and the Maine Sub-Class Members have complied with all obligations under the warranty, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

1890. Maine Plaintiff and the Maine Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal sources.

1891. As a direct and proximate cause of GM's breach, Maine Plaintiff and the Maine Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Maine Plaintiff and the Maine Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.

1892. As a direct and proximate result of GM's breach of the implied warranty of merchantability, Maine Plaintiff and the Maine Sub-Class Members have been damaged in an amount to be proven at trial.

Q. Claims on Behalf of the Michigan Sub-Class

52. COUNT 52 VIOLATION OF THE MICHIGAN CONSUMER PROTECTION ACT MICH. COMP. LAWS § 445.903, *ET SEQ.*

1893. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.

1894. Plaintiffs Richard Francis, Jay Hull, and Louis Ray ("Michigan Plaintiffs") brings this cause of action on his own behalf and on behalf of the

members of the Michigan Sub-Class.

1895. Michigan Plaintiff and the Michigan Sub-Class Members are "person[s]" within the meaning of the Mich. Comp. Laws § 445.902(1)(d).

1896. GM is a "person" engaged in "trade or commerce" within the meaning of the Mich. Comp. Laws § 445.902(1)(d).

1897. The Michigan Consumer Protection Act ("Michigan CPA") prohibits "[u]nfair, unconscionable, or deceptive methods, acts, or practices in the conduct of trade or commerce," including: "(c) Representing that goods or services have . . . characteristics . . . that they do not have;" "(e) Representing that goods or services are of a particular standard . . . if they are of another;" "(s) Failing to reveal a material fact, the omission of which tends to mislead or deceive the consumer, and which fact could not reasonably be known by the consumer;" "(bb) Making a representation of fact or statement of fact material to the transaction such that a person reasonably believes the represented or suggested state of affairs to be other than it actually is;" and "(cc) Failing to reveal facts that are material to the transaction in light of representations of fact made in a positive manner." Mich. Comp. Laws § 445.903(1).

1898. GM participated in misleading, false, or deceptive acts that violated the Michigan CPA as described below and alleged throughout the Complaint. By failing to disclose the Transmission Defect, by concealing the Transmission Defect, by marketing its vehicles as safe, reliable, easily operable, efficient, and of high quality, and by presenting itself as a reputable manufacturer that valued safety, cleanliness, performance and efficiency, and stood behind its vehicles after they were sold, GM knowingly and intentionally misrepresented and omitted material facts in connection with the sale or lease of the Class Vehicles. GM systematically misrepresented, concealed, suppressed, or omitted material facts relating to the Class Vehicles and Transmission Defect in the course of its business.

1899. GM also engaged in unlawful trade practices by employing deception,

deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale of the Class Vehicles.

1900. GM's unfair and deceptive acts or practices occurred repeatedly in GM's trade or business, were capable of deceiving a substantial portion of the purchasing public, and imposed a serious safety risk on the public.

1901. GM knew that the Class Vehicles and their transmissions suffered from an inherent defect, were defectively designed or manufactured, and were not suitable for their intended use.

1902. GM knew or should have known that its conduct violated the Michigan CPA.

1903. Michigan Plaintiff and the Michigan Sub-Class Members reasonably relied on GM's misrepresentations and omissions of material facts in its advertisements of the Class Vehicles and in the purchase of the Class Vehicles.

1904. Had Michigan Plaintiff and the Michigan Sub-Class Members known that the Class Vehicles would exhibit the Transmission Defect, they would not have purchased or leased the Class Vehicles, or would have paid less for them. Plaintiffs did not receive the benefit of their bargain as a result of GM's misconduct.

1905. GM owed Michigan Plaintiff and the Michigan Sub-Class Members a duty to disclose the truth about the Transmission Defect because GM: (a) possessed exclusive knowledge of the Class Vehicles and the Transmission Defect; (b) intentionally concealed the foregoing from Michigan Plaintiff and the Michigan Sub-Class Members; and/or (c) made incomplete representations regarding the quality and durability of the Class Vehicles, while purposefully withholding material facts from Michigan Plaintiff and the Michigan Sub-Class Members that contradicted these representations.

1906. Due to GM's specific and superior knowledge that the transmissions in

the Class Vehicles will fail due to the Transmission Defect, its false representations regarding the increased durability of the Class Vehicles, and reliance by Michigan Plaintiff and the Michigan Sub-Class Members on these material representations, GM had a duty to disclose to Class members that the 8L90 and 8L45 transmissions will cause failure in Class Vehicles, that Class Vehicles do not have the expected durability, reliability, and/or safety over other vehicles or of their predecessor transmissions, that failure of the 8L90 and 8L45 transmissions will cause damage to Class Vehicle engines and engine systems, and that Class members would be required to bear the cost of the damage to their vehicles. Having volunteered to provide information to Michigan Plaintiff and the Michigan Sub-Class Members, GM had the duty to disclose not just the partial truth, but the entire truth. These omitted and concealed facts were material because they directly impact the value of the Class Vehicles purchased or leased by Michigan Plaintiff and the Michigan Sub-Class Members and could not reasonably be known by the consumer. Longevity, durability, performance, and safety are material concerns to GM truck consumers. GM represented to Michigan Plaintiff and the Michigan Sub-Class Members that they were purchasing or leasing vehicles that were durable, reliable, safe, efficient, of high quality, and containing transmissions of advanced and superior characteristics and technology as alleged throughout this Complaint, when in fact it is only a matter of time before the transmissions fail due to the Transmission Defect.

1907. Michigan Plaintiff and the Michigan Sub-Class Members suffered injury in fact to a legally protected interest. As a result of GM's conduct, Michigan Plaintiff and the Michigan Sub-Class Members were harmed and suffered actual damages in the form of the diminished value of their vehicles.

1908. As a result of GM's conduct, Michigan Plaintiff and the Michigan Sub-Class Members were harmed and suffered actual damages as a result of GM's misrepresentations and omissions with regard to their Class Vehicles' transmissions because they purchased vehicles which do not perform as advertised.

- 1909. As a direct and proximate result of GM's unfair or deceptive acts or practices, Michigan Plaintiff and the Michigan Sub-Class Members suffered and will continue to suffer injury in fact and/or actual damages.
- 1910. Defendant's violations present a continuing risk to Michigan Plaintiff and the Michigan Sub-Class Members as well as to the general public. Defendant's unlawful acts and practices complained of herein affect the public interest.
- 1911. Michigan Plaintiff and the Michigan Sub-Class Members seek monetary relief measured as the greater of (a) actual damages in an amount to be determined at trial and (b) statutory damages in the amount of \$250 per each Plaintiff; and reasonable attorneys' fees; and any other just and proper relief available under Mich. Comp. Laws MICH. COMP. LAWS damages against GM because it carried out despicable conduct with willful and conscious disregard of the rights and safety of others. GM's conduct constitutes malice, oppression, and fraud warranting punitive damages.

53. COUNT 53 BREACH OF EXPRESS WARRANTY MICH. COMP. LAWS §§ 440.2313 AND 440.2860

- 1912. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1913. Michigan Plaintiff brings this cause of action on his own behalf and on behalf of the members of the Michigan Sub-Class.
- 1914. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Mich. Comp. Laws §§ 440.2104(1) and a "seller" of motor vehicles under § 440.2103(1)(c).
- 1915. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Mich. Comp. Laws § 440.2803(1)(p).

- 1916. The Class Vehicles are and were at all relevant times "goods" within the meaning of Mich. Comp. Laws §§ 440.2105(1) and 440.2803(1)(h).
- 1917. GM provided all purchasers and lessees of the Class Vehicles with the express warranty described herein, which became a material part of the bargain.
- 1918. GM provided all purchasers and lessees of Cadillac-branded Class Vehicles with the Cadillac Warranty and all purchasers and lessees of Chevrolet or GM-branded Class Vehicles with the Chevrolet/GM Warranty.
- 1919. Under the Warranties, GM expressly warranted the following: "The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Accordingly, the warranty covered all defects except for "slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Because the Transmission Defect does not fall into any of the above excluded categories, it is covered under GM's express warranty. GM agreed to provide such repairs "including towing, parts, and labor . . . at no charge" for up to 3 years or 36,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles and for up to 4 years or 50,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Bumper-to-Bumper Limited Warranties").
- 1920. Furthermore, under the Powertrain Component of the Warranties, GMC expressly warranted that the powertrain components listed therein, including the transmission and "all internally lubricated parts, case, torque converter, mounts, seals, and gaskets as well as any electrical components internal to the transmission/transaxle" and "any actuators directly connected to the transmission (slave cylinder, etc.)" are covered under the Warranties for up to 5 years or 60,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles, and for up to 6 years or

70,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Powertrain Warranties").

- 1921. GM manufactured and/or installed the 8L90 and 8L45 transmissions and the transmissions' component parts in the Class Vehicles, and the 8L90 and 8L45 transmissions and their component parts are covered by the express Warranties.
- 1922. The Transmission Defect at issue in this litigation was present at the time the Class Vehicles were sold or leased to Michigan Plaintiff and the Michigan Sub-Class Members.
- 1923. Plaintiffs relied on GM's express warranties, which were a material part of the bargain, when purchasing or leasing their Class Vehicles.
- 1924. Under the express Warranties, GM was obligated to correct the Transmission Defect in the vehicles owned or leased by Michigan Plaintiff and the Michigan Sub-Class Members.
- 1925. Although GM was obligated to correct the Transmission Defect, none of the attempted fixes to the transmissions are adequate under the terms of the Warranties, as they did not cure the defect.
- 1926. GM breached the express Warranties by performing illusory repairs. Rather than repairing the vehicles pursuant to the express Warranties, GM falsely informed Michigan Sub-Class Members that there was no problem with their Class Vehicles, performed ineffective procedures including software updates, and/or replaced defective components in the 8L90 and 8L45 transmissions with equally defective components, without actually repairing the Class Vehicles.
- 1927. GM and its agent dealers have failed and refused to conform the 8L90 and 8L45 transmissions to the express Warranties. GM's conduct, as discussed throughout this Complaint, has voided any attempt on its part to disclaim liability for its actions.

1928. Moreover, GM's attempt to disclaim or limit these express Warranties vis-à-vis consumers is unconscionable and unenforceable under the circumstances here. Specifically, GM's warranty limitation is unenforceable because it knowingly sold a defective product without informing consumers about the defect.

1929. The time limits contained in GM's warranty period were also unconscionable and inadequate to protect Michigan Plaintiff and the Michigan Sub-Class Members. Among other things, Michigan Plaintiff and the Michigan Sub-Class Members had no meaningful choice in determining these time limitations, the terms of which unreasonably favored GM. A gross disparity in bargaining power existed between GM and the Class members, and GM knew or should have known that the Class Vehicles were defective at the time of sale.

1930. Michigan Plaintiff and the Michigan Sub-Class Members have complied with all obligations under the Warranties, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

1931. Michigan Plaintiff and the Michigan Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal and external sources.

1932. Because GM, through its conduct and exemplified by its own service bulletins, has covered repairs of the Transmission Defect if GM determines the repairs are appropriately covered under the Warranties, GM cannot now deny that the Warranties cover the Transmission Defect.

- 1933. Because GM has not been able to remedy the Transmission Defect, any limitation on remedies included in the Warranties causes the Warranties to fail their essential purposes, rendering them null and void.
- 1934. As a direct and proximate cause of GM's breach, Michigan Plaintiff and the Michigan Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Michigan Plaintiff and the Michigan Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.
- 1935. As a direct and proximate result of GM's breach of express warranties, Michigan Plaintiff and the Michigan Sub-Class Members have been damaged in an amount to be determined at trial.

54. COUNT 54 BREACH OF THE IMPLIED WARRANTY OF MERCHANTABILITY MICH. COMP. LAWS §§ 440.2314 AND 440.2860

- 1936. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1937. Michigan Plaintiff brings this cause of action on his own behalf and on behalf of the members of the Michigan Sub-Class.
- 1938. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Mich. Comp. Laws §§ 440.2104(1) and a "seller" of motor vehicles under § 440.2103(1)(c).
- 1939. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under MICH. COMP. LAWS § 440.2803(1)(p).
- 1940. The Class Vehicles are and were at all relevant times "goods" within the meaning of Mich. Comp. Laws §§ 440.2105(1) and 440.2803(1)(h).

- 1941. A warranty that the Class Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used is implied by law under Mich. Comp. Laws §§ 440.2314 and 440.2862.
- 1942. GM knew or had reason to know of the specific use for which the Class Vehicles were purchased or leased. GM directly sold and marketed vehicles equipped with the 8L90 and 8L45 transmissions to customers through authorized dealers, like those from whom Michigan Plaintiff and the Michigan Sub-Class Members bought or leased their vehicles, for the intended purpose of consumers purchasing the vehicles. GM knew that the Class Vehicles would and did pass unchanged from the authorized dealers to Michigan Plaintiff and the Michigan Sub-Class Members, with no modification to the defective transmissions.
- 1943. GM provided Plaintiffs and Class Members with an implied warranty that the Class Vehicles and their components and parts are merchantable and fit for the ordinary purposes for which they were sold.
- 1944. This implied warranty included, among other things: (i) a warranty that the Class Vehicles and their transmissions that were manufactured, supplied, distributed, and/or sold by GM were safe and reliable for providing transportation; and (ii) a warranty that the Class Vehicles and their transmissions would be fit for their intended use while the Class Vehicles were being operated.
- 1945. Contrary to the applicable implied warranties, the Class Vehicles and their transmissions at the time of sale and thereafter were not fit for their ordinary and intended purpose of providing Plaintiffs and Class Members with reliable, durable, and safe transportation. Instead, the Class Vehicles are defective, including, but not limited to, the defective design or manufacture of their transmissions and the existence of the Transmission Defect at the time of sale or lease and thereafter. GM knew of this defect at the time these sale or lease transactions occurred.

1946. As a result of GM's breach of the applicable implied warranties, Michigan Plaintiff and the Michigan Sub-Class Members of the Class Vehicles suffered an ascertainable loss of money, property, and/or value of their Class Vehicles. Additionally, as a result of the Transmission Defect, Michigan Plaintiff and the Michigan Sub-Class Members were harmed and suffered actual damages in that the Class Vehicles' transmission components are substantially certain to fail before their expected useful life has run.

1947. GM's actions, as complained of herein, breached the implied warranty that the Class Vehicles were of merchantable quality and fit for such use in violation of Mich. Comp. Laws §§ 440.2314 and 440.2862.

1948. Michigan Plaintiff and the Michigan Sub-Class Members have complied with all obligations under the warranty, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

1949. Michigan Plaintiff and the Michigan Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal sources.

1950. As a direct and proximate cause of GM's breach, Michigan Plaintiff and the Michigan Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Michigan Plaintiff and the Michigan Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.

1951. As a direct and proximate result of GM's breach of the implied warranty of merchantability, Michigan Plaintiff and the Michigan Sub-Class Members have been damaged in an amount to be proven at trial.

R. Claims on Behalf of the Minnesota Sub-Class

55. COUNT 55 VIOLATION OF MINNESOTA PREVENTION OF CONSUMER FRAUD ACT MINN. STAT. § 325F.68, ET SEO.

- 1952. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1953. Plaintiffs Troy and Kimberly Coulson ("Minnesota Plaintiffs") bring this cause of action on their own behalf and on behalf of the members of the Minnesota Sub-Class.
- 1954. The Class Vehicles constitute "merchandise" within the meaning of Minn. Stat. § 325F.68.
- 1955. The Minnesota Prevention of Consumer Fraud Act ("Minnesota CFA") prohibits "[t]he act, use, or employment by any person of any fraud, false pretense, false promise, misrepresentation, misleading statement or deceptive practice, with the intent that others rely thereon in connection with the sale of any merchandise, whether or not any person has in fact been misled, deceived, or damaged thereby" Minn. Stat. § 3 25F.69(1).
- 1956. GM participated in misleading, false, or deceptive acts that violated the Minnesota CFA as described below and alleged throughout the Complaint. By failing to disclose the Transmission Defect, by concealing the Transmission Defect, by marketing its vehicles as safe, reliable, easily operable, efficient, and of high quality, and by presenting itself as a reputable manufacturer that valued safety, cleanliness, performance and efficiency, and stood behind its vehicles after they

were sold, GM knowingly and intentionally misrepresented and omitted material facts in connection with the sale or lease of the Class Vehicles. GM systematically misrepresented, concealed, suppressed, or omitted material facts relating to the Class Vehicles and Transmission Defect in the course of its business.

- 1957. GM also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale of the Class Vehicles.
- 1958. GM's unfair and deceptive acts or practices occurred repeatedly in GM's trade or business, were capable of deceiving a substantial portion of the purchasing public, and imposed a serious safety risk on the public.
- 1959. GM knew that the Class Vehicles and their transmissions suffered from an inherent defect, were defectively designed or manufactured, and were not suitable for their intended use.
- 1960. GM knew or should have known that its conduct violated the Minnesota CFA.
- 1961. Minnesota Plaintiffs and the Minnesota Sub-Class Members reasonably relied on GM's misrepresentations and omissions of material facts in its advertisements of the Class Vehicles and in the purchase of the Class Vehicles.
- 1962. Had Minnesota Plaintiffs and the Minnesota Sub-Class Members known that the Class Vehicles would exhibit the Transmission Defect, they would not have purchased or leased the Class Vehicles, or would have paid less for them. Plaintiffs did not receive the benefit of their bargain as a result of GM's misconduct.
- 1963. Minnesota Plaintiffs and the Minnesota Sub-Class Members suffered injury in fact to a legally protected interest. As a result of GM's conduct, Minnesota Plaintiffs and the Minnesota Sub-Class Members were harmed and suffered actual damages in the form of the diminished value of their vehicles.

- 1964. As a result of GM's conduct, Minnesota Plaintiffs and the Minnesota Sub-Class Members were harmed and suffered actual damages as a result of GM's misrepresentations and omissions with regard to their Class Vehicles' transmissions because they purchased vehicles which do not perform as advertised.
- 1965. As a direct and proximate result of GM's unfair or deceptive acts or practices, Minnesota Plaintiffs and the Minnesota Sub-Class Members suffered and will continue to suffer injury in fact and/or actual damages.
- 1966. Pursuant to Minn. Stat. § 8.31(3a), Minnesota Plaintiffs and the Minnesota Sub-Class Members seek damages in an amount to be proven at trial, including but not limited to actual damages and attorneys' fees, under the Minnesota CFA.
- 1967. Plaintiffs also seek punitive damages under Minn. Stat. § 549.20(1)(a) given the clear and convincing evidence that GM's acts show deliberate disregard for the rights or safety of others.

56. COUNT 56 VIOLATION OF MINNESOTA UNIFORM DECEPTIVE TRADE PRACTICES ACT MINN. STAT. § 325D.43-48, *ET SEQ.*

- 1968. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1969. Minnesota Plaintiffs bring this cause of action on their own behalf and on behalf of the members of the Minnesota Sub-Class.
- 1970. The Class Vehicles constitute "merchandise" within the meaning of Minn. Stat. § 325F.68.
- 1971. The Minnesota Deceptive Trade Practices Act ("Minnesota DTPA") prohibits deceptive trade practices, which occur when a person "(5) represents that goods or services have sponsorship, approval, characteristics, ingredients, uses,

benefits, or quantities that they do not have or that a person has a sponsorship, approval, status, affiliation, or connection that the person does not have;" "(7) represents that goods or services are of a particular standard, quality, or grade, or that goods are of a particular style or model, if they are of another;" and "(9) advertises goods or services with intent not to sell them as advertised." Minn. Stat. § 325D.44.

1972. GM participated in deceptive trade practices that violated the Minnesota DTPA as described below and alleged throughout the Complaint. By failing to disclose the Transmission Defect, by concealing the Transmission Defect, by marketing its vehicles as safe, reliable, easily operable, efficient, and of high quality, and by presenting itself as a reputable manufacturer that valued safety, cleanliness, performance and efficiency, and stood behind its vehicles after they were sold, GM knowingly and intentionally misrepresented and omitted material facts in connection with the sale or lease of the Class Vehicles. GM systematically misrepresented, concealed, suppressed, or omitted material facts relating to the Class Vehicles and Transmission Defect in the course of its business.

1973. By systematically devaluing safety and concealing a plethora of defects in the 8L90 and 8L45 Transmissions and the Class Vehicles, GM engaged in unfair or deceptive practices prohibited by the Minnesota DTPA, including: (1) representing that the 8L90 and 8L45 Transmissions and the Class Vehicles have characteristics, uses, benefits, and qualities which they do not have; (2) representing that the 8L90 and 8L45 Transmissions and the Class Vehicles are of a particular standard, quality, and grade when they are not; and (3) advertising the 8L90 and 8L45 Transmissions and the Class Vehicles with the intent not to sell them as advertised.

1974. GM also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression

or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale of the Class Vehicles.

1975. GM's unfair and deceptive acts or practices occurred repeatedly in GM's trade or business, were capable of deceiving a substantial portion of the purchasing public, and imposed a serious safety risk on the public.

1976. GM knew that the Class Vehicles and their transmissions suffered from an inherent defect, were defectively designed or manufactured, and were not suitable for their intended use.

1977. GM knew or should have known that its conduct violated the Minnesota DTPA.

1978. Minnesota Plaintiffs and the Minnesota Sub-Class Members reasonably relied on GM's misrepresentations and omissions of material facts in its advertisements of the Class Vehicles and in the purchase of the Class Vehicles.

1979. Had Minnesota Plaintiffs and the Minnesota Sub-Class Members known that the Class Vehicles would exhibit the Transmission Defect, they would not have purchased or leased the Class Vehicles, or would have paid less for them. Plaintiffs did not receive the benefit of their bargain as a result of GM's misconduct.

1980. Minnesota Plaintiffs and the Minnesota Sub-Class Members suffered injury in fact to a legally protected interest. As a result of GM's conduct, Minnesota Plaintiffs and the Minnesota Sub-Class Members were harmed and suffered actual damages in the form of the diminished value of their vehicles.

1981. As a result of GM's conduct, Minnesota Plaintiffs and the Minnesota Sub-Class Members were harmed and suffered actual damages as a result of GM's misrepresentations and omissions with regard to their Class Vehicles' transmissions because they purchased vehicles which do not perform as advertised.

1982. As a direct and proximate result of GM's unfair or deceptive acts or practices, Minnesota Plaintiffs and the Minnesota Sub-Class Members suffered and

will continue to suffer injury in fact and/or actual damages.

- 1983. Pursuant to Minn. Stat. §§ 8.31(3a) and 325D.45, Minnesota Plaintiffs and the Minnesota Sub-Class Members seek damages in an amount to be proven at trial, including but not limited to actual damages and attorneys' fees, under the Minnesota DTPA.
- 1984. Plaintiffs also seek punitive damages under Minn. Stat. § 549.20(1)(a) given the clear and convincing evidence that GM's acts show deliberate disregard for the rights or safety of others.

57. COUNT 57 BREACH OF EXPRESS WARRANTY MINN. STAT. §336.2-313 AND 336.2A-210

- 1985. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 1986. Minnesota Plaintiffs bring this cause of action on his own behalf and on behalf of the members of the Minnesota Sub-Class.
- 1987. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Minn. Stat. §§ 336.2-104(1) and a "seller" of motor vehicles under § 336.2-103(1)(d).
- 1988. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Minn. Stat. § 336.2A-103(1)(p).
- 1989. The Class Vehicles are and were at all relevant times "goods" within the meaning of Minn. Stat. §§ 336.2-105(1) and 336.2A-103(1)(h).
- 1990. GM provided all purchasers and lessees of the Class Vehicles with the express warranty described herein, which became a material part of the bargain.
- 1991. GM provided all purchasers and lessees of Cadillac-branded Class Vehicles with the Cadillac Warranty and all purchasers and lessees of Chevrolet or GM-branded Class Vehicles with the Chevrolet/GM Warranty.

1992. Under the Warranties, GM expressly warranted the following: "The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Accordingly, the warranty covered all defects except for "slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Because the Transmission Defect does not fall into any of the above excluded categories, it is covered under GM's express warranty. GM agreed to provide such repairs "including towing, parts, and labor . . . at no charge" for up to 3 years or 36,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles and for up to 4 years or 50,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Bumper-to-Bumper Limited Warranties").

1993. Furthermore, under the Powertrain Component of the Warranties, GMC expressly warranted that the powertrain components listed therein, including the transmission and "all internally lubricated parts, case, torque converter, mounts, seals, and gaskets as well as any electrical components internal to the transmission/transaxle" and "any actuators directly connected to the transmission (slave cylinder, etc.)" are covered under the Warranties for up to 5 years or 60,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles, and for up to 6 years or 70,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Powertrain Warranties").

1994. GM manufactured and/or installed the 8L90 and 8L45 transmissions and the transmissions' component parts in the Class Vehicles, and the 8L90 and 8L45 transmissions and their component parts are covered by the express Warranties.

1995. The Transmission Defect at issue in this litigation was present at the time the Class Vehicles were sold or leased to Minnesota Plaintiffs and the

Minnesota Sub-Class Members.

1996. Plaintiffs relied on GM's express warranties, which were a material part of the bargain, when purchasing or leasing their Class Vehicles.

1997. Under the express Warranties, GM was obligated to correct the Transmission Defect in the vehicles owned or leased by Minnesota Plaintiffs and the Minnesota Sub-Class Members.

1998. Although GM was obligated to correct the Transmission Defect, none of the attempted fixes to the transmissions are adequate under the terms of the Warranties, as they did not cure the defect.

1999. GM breached the express Warranties by performing illusory repairs. Rather than repairing the vehicles pursuant to the express Warranties, GM falsely informed Minnesota Sub-Class Members that there was no problem with their Class Vehicles, performed ineffective procedures including software updates, and/or replaced defective components in the 8L90 and 8L45 transmissions with equally defective components, without actually repairing the Class Vehicles.

2000. GM and its agent dealers have failed and refused to conform the 8L90 and 8L45 transmissions to the express Warranties. GM's conduct, as discussed throughout this Complaint, has voided any attempt on its part to disclaim liability for its actions.

2001. Moreover, GM's attempt to disclaim or limit these express Warranties vis-à-vis consumers is unconscionable and unenforceable under the circumstances here. Specifically, GM's warranty limitation is unenforceable because it knowingly sold a defective product without informing consumers about the defect.

2002. The time limits contained in GM's warranty period were also unconscionable and inadequate to protect Minnesota Plaintiffs and the Minnesota Sub-Class Members. Among other things, Minnesota Plaintiffs and the Minnesota Sub-Class Members had no meaningful choice in determining these time limitations,

the terms of which unreasonably favored GM. A gross disparity in bargaining power existed between GM and the Class members, and GM knew or should have known that the Class Vehicles were defective at the time of sale.

2003. Minnesota Plaintiffs and the Minnesota Sub-Class Members have complied with all obligations under the Warranties, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

2004. Minnesota Plaintiffs and the Minnesota Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal and external sources.

2005. Because GM, through its conduct and exemplified by its own service bulletins, has covered repairs of the Transmission Defect if GM determines the repairs are appropriately covered under the Warranties, GM cannot now deny that the Warranties cover the Transmission Defect.

2006. Because GM has not been able to remedy the Transmission Defect, any limitation on remedies included in the Warranties causes the Warranties to fail their essential purposes, rendering them null and void.

2007. As a direct and proximate cause of GM's breach, Minnesota Plaintiffs and the Minnesota Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Minnesota Plaintiffs and the Minnesota Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.

2008. As a direct and proximate result of GM's breach of express warranties,

Minnesota Plaintiffs and the Minnesota Sub-Class Members have been damaged in an amount to be determined at trial.

58. COUNT 58 BREACH OF THE IMPLIED WARRANTY OF MERCHANTABILITY MINN. STAT. §§ 336.2-314 AND 336.2A-212

- 2009. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2010. Minnesota Plaintiffs bring this cause of action on his own behalf and on behalf of the members of the Minnesota Sub-Class.
- 2011. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Minn. Stat. §§ 336.2-104(1) and a "seller" of motor vehicles under § 336.2-103(1)(d)
- 2012. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Minn. Stat. § 336.2A-103(1)(p).
- 2013. The Class Vehicles are and were at all relevant times "goods" within the meaning of Minn. Stat. §§ 336.2-105(1) and 336.2A-103(1)(h).
- 2014. A warranty that the Class Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used is implied by law under Minn. Stat. §§ 336.2-314 and 336.2A-212.
- 2015. GM knew or had reason to know of the specific use for which the Class Vehicles were purchased or leased. GM directly sold and marketed vehicles equipped with the 8L90 and 8L45 transmissions to customers through authorized dealers, like those from whom Minnesota Plaintiff and the Minnesota Sub-Class Members bought or leased their vehicles, for the intended purpose of consumers purchasing the vehicles. GM knew that the Class Vehicles would and did pass unchanged from the authorized dealers to Minnesota Plaintiff and the Minnesota

Sub-Class Members, with no modification to the defective transmissions.

2016. GM provided Plaintiffs and Class Members with an implied warranty that the Class Vehicles and their components and parts are merchantable and fit for the ordinary purposes for which they were sold.

2017. This implied warranty included, among other things: (i) a warranty that the Class Vehicles and their transmissions that were manufactured, supplied, distributed, and/or sold by GM were safe and reliable for providing transportation; and (ii) a warranty that the Class Vehicles and their transmissions would be fit for their intended use while the Class Vehicles were being operated.

2018. Contrary to the applicable implied warranties, the Class Vehicles and their transmissions at the time of sale and thereafter were not fit for their ordinary and intended purpose of providing Plaintiffs and Class Members with reliable, durable, and safe transportation. Instead, the Class Vehicles are defective, including, but not limited to, the defective design or manufacture of their transmissions and the existence of the Transmission Defect at the time of sale or lease and thereafter. GM knew of this defect at the time these sale or lease transactions occurred.

2019. As a result of GM's breach of the applicable implied warranties, Minnesota Plaintiffs and the Minnesota Sub-Class Members of the Class Vehicles suffered an ascertainable loss of money, property, and/or value of their Class Vehicles. Additionally, as a result of the Transmission Defect, Minnesota Plaintiffs and the Minnesota Sub-Class Members were harmed and suffered actual damages in that the Class Vehicles' transmission components are substantially certain to fail before their expected useful life has run.

2020. GM's actions, as complained of herein, breached the implied warranty that the Class Vehicles were of merchantable quality and fit for such use in violation of Minn. Stat. §§ 336.2-314 and 336.2A-212.

2021. Minnesota Plaintiffs and the Minnesota Sub-Class Members have 403

complied with all obligations under the warranty, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

2022. Minnesota Plaintiffs and the Minnesota Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal sources.

2023. As a direct and proximate cause of GM's breach, Minnesota Plaintiffs and the Minnesota Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Minnesota Plaintiffs and the Minnesota Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.

2024. As a direct and proximate result of GM's breach of the implied warranty of merchantability, Minnesota Plaintiffs and the Minnesota Sub-Class Members have been damaged in an amount to be proven at trial.

S. Claims on Behalf of the Missouri Sub-Class

59. COUNT 59 VIOLATION OF THE MISSOURI MERCHANDISING PRACTICES ACT MO. REV. STAT. § 407.010, ET SEQ.

2025. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.

2026. Plaintiffs Christopher Krull and Richard Noonan ("Missouri Plaintiffs") bring this cause of action on their own behalf and on behalf of the members of the Missouri Sub-Class.

- 2027. GM, Missouri Plaintiffs and the Missouri Sub-Class Members are "persons" within the meaning of Mo. Rev. Stat. § 407.010(5).
- 2028. GM engaged in "trade" or "commerce" in the State of Missouri within the meaning of Mo. Rev. Stat. § 407.010(7).
- 2029. The Missouri Merchandising Practices Act ("Missouri MPA") makes unlawful the "act, use or employment by any person of any deception, fraud, false pretense, misrepresentation, unfair practice, or the concealment, suppression, or omission of any material fact in connection with the sale or advertisement of any merchandise." Mo. Rev. Stat. § 407.020. GM used or employed deception, fraud, false pretense, false promise, misrepresentation, unfair practice or the concealment, suppression, or omission of any material fact in connection with the sale or advertisement of any merchandise in trade or commerce, in violation of the Missouri MPA.
- 2030. GM participated in unfair or deceptive trade practices that violated the Missouri MPA as described below and alleged throughout the Complaint. By failing to disclose the Transmission Defect, by concealing the Transmission Defect, by marketing its vehicles as safe, reliable, easily operable, efficient, and of high quality, and by presenting itself as a reputable manufacturer that valued safety, cleanliness, performance and efficiency, and stood behind its vehicles after they were sold, GM knowingly and intentionally misrepresented and omitted material facts in connection with the sale or lease of the Class Vehicles. GM systematically misrepresented, concealed, suppressed, or omitted material facts relating to the Class Vehicles and Transmission Defect in the course of its business.
- 2031. GM also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale of the Class Vehicles.

- 2032. GM's unfair and deceptive acts or practices occurred repeatedly in GM's trade or business, were capable of deceiving a substantial portion of the purchasing public, and imposed a serious safety risk on the public.
- 2033. GM knew that the Class Vehicles and their transmissions suffered from an inherent defect, were defectively designed or manufactured, and were not suitable for their intended use.
- 2034. GM knew or should have known that its conduct violated the Missouri MPA.
- 2035. Missouri Plaintiffs and the Missouri Sub-Class Members reasonably relied on GM's misrepresentations and omissions of material facts in its advertisements of the Class Vehicles and in the purchase of the Class Vehicles.
- 2036. Had Missouri Plaintiffs and the Missouri Sub-Class Members known that the Class Vehicles would exhibit the Transmission Defect, they would not have purchased or leased the Class Vehicles, or would have paid less for them. Plaintiffs did not receive the benefit of their bargain as a result of GM's misconduct.
- 2037. GM owed Missouri Plaintiffs and the Missouri Sub-Class Members a duty to disclose the truth about the Transmission Defect because GM: (a) possessed exclusive knowledge of the Class Vehicles and the Transmission Defect; (b) intentionally concealed the foregoing from Missouri Plaintiffs and the Missouri Sub-Class Members; and/or (c) made incomplete representations regarding the quality and durability of the Class Vehicles, while purposefully withholding material facts from Missouri Plaintiffs and the Missouri Sub-Class Members that contradicted these representations.
- 2038. Due to GM's specific and superior knowledge that the transmissions in the Class Vehicles will fail due to the Transmission Defect, its false representations regarding the increased durability of the Class Vehicles, and reliance by Missouri Plaintiffs and the Missouri Sub-Class Members on these material representations,

GM had a duty to disclose to Class members that the 8L90 and 8L45 transmissions will cause failure in Class Vehicles, that Class Vehicles do not have the expected durability, reliability, and/or safety over other vehicles or of their predecessor transmissions, that failure of the 8L90 and 8L45 transmissions will cause damage to Class Vehicle engines and engine systems, and that Class members would be required to bear the cost of the damage to their vehicles. Having volunteered to provide information to Missouri Plaintiffs and the Missouri Sub-Class Members, GM had the duty to disclose not just the partial truth, but the entire truth. These omitted and concealed facts were material because they directly impact the value of the Class Vehicles purchased or leased by Missouri Plaintiffs and the Missouri Sub-Class Members. Longevity, durability, performance, and safety are material concerns to GM truck consumers. GM represented to Missouri Plaintiffs and the Missouri Sub-Class Members that they were purchasing or leasing vehicles that were durable, reliable, safe, efficient, of high quality, and containing transmissions of advanced and superior characteristics and technology as alleged throughout this Complaint, when in fact it is only a matter of time before the transmissions fail due to the Transmission Defect.

2039. Missouri Plaintiffs and the Missouri Sub-Class Members suffered injury in fact to a legally protected interest. As a result of GM's conduct, Missouri Plaintiffs and the Missouri Sub-Class Members were harmed and suffered actual damages in the form of the diminished value of their vehicles.

2040. As a result of GM's conduct, Missouri Plaintiffs and the Missouri Sub-Class Members were harmed and suffered an ascertainable loss of money or property as a result of GM's misrepresentations and omissions with regard to their Class Vehicles' transmissions because they purchased vehicles which do not perform as advertised impacting the value of the vehicle.

2041. As a direct and proximate result of GM's unfair or deceptive acts or

practices, Missouri Plaintiffs and the Missouri Sub-Class Members suffered and will continue to suffer injury in fact and/or actual damages.

- 2042. Defendant's violations present a continuing risk to Missouri Plaintiffs and the Missouri Sub-Class Members as well as to the general public. Defendant's unlawful acts and practices complained of herein affect the public interest.
- 2043. GM is liable to Missouri Plaintiffs and the Missouri Sub-Class Members for damages in amounts to be proven at trial, including attorneys' fees, costs, and punitive damages, as well as injunctive relief enjoining GM's unfair and deceptive practices, and any other just and proper relief under Mo. Rev. Stat. § 407.025.

60. COUNT 60 BREACH OF EXPRESS WARRANTY MO. REV. STAT.§§ 400.2-313 AND 400.2A-210

- 2044. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2045. Missouri Plaintiffs bring this cause of action on their own behalf and on behalf of the members of the Missouri Sub-Class.
- 2046. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Mo. Rev. Stat. § 400.2-104(1), and a "seller" of motor vehicles under § 400.2-103(1)(d).
- 2047. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Mo. Rev. Stat. § 400.2A-103(1)(p).
- 2048. The Class Vehicles are and were at all relevant times "goods" within the meaning of Mo. Rev. Stat. § 400.2-105(1) and Mo. Stat. § 400.2A-103(1)(h).
- 2049. GM provided all purchasers and lessees of the Class Vehicles with the express warranty described herein, which became a material part of the bargain.
 - 2050. GM provided all purchasers and lessees of Cadillac-branded Class

Vehicles with the Cadillac Warranty and all purchasers and lessees of Chevrolet or GM-branded Class Vehicles with the Chevrolet/GM Warranty.

2051. Under the Warranties, GM expressly warranted the following: "The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Accordingly, the warranty covered all defects except for "slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Because the Transmission Defect does not fall into any of the above excluded categories, it is covered under GM's express warranty. GM agreed to provide such repairs "including towing, parts, and labor . . . at no charge" for up to 3 years or 36,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles and for up to 4 years or 50,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Bumper-to-Bumper Limited Warranties").

2052. Furthermore, under the Powertrain Component of the Warranties, GMC expressly warranted that the powertrain components listed therein, including the transmission and "all internally lubricated parts, case, torque converter, mounts, seals, and gaskets as well as any electrical components internal to the transmission/transaxle" and "any actuators directly connected to the transmission (slave cylinder, etc.)" are covered under the Warranties for up to 5 years or 60,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles, and for up to 6 years or 70,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Powertrain Warranties").

2053. GM manufactured and/or installed the 8L90 and 8L45 transmissions and the transmissions' component parts in the Class Vehicles, and the 8L90 and 8L45 transmissions and their component parts are covered by the express Warranties.

- 2054. The Transmission Defect at issue in this litigation was present at the time the Class Vehicles were sold or leased to Missouri Plaintiffs and the Missouri Sub-Class Members.
- 2055. Plaintiffs relied on GM's express warranties, which were a material part of the bargain, when purchasing or leasing their Class Vehicles.
- 2056. Under the express Warranties, GM was obligated to correct the Transmission Defect in the vehicles owned or leased by Missouri Plaintiffs and the Missouri Sub-Class Members.
- 2057. Although GM was obligated to correct the Transmission Defect, none of the attempted fixes to the transmissions are adequate under the terms of the Warranties, as they did not cure the defect.
- 2058. GM breached the express Warranties by performing illusory repairs. Rather than repairing the vehicles pursuant to the express Warranties, GM falsely informed Missouri Sub-Class Members that there was no problem with their Class Vehicles, performed ineffective procedures including software updates, and/or replaced defective components in the 8L90 and 8L45 transmissions with equally defective components, without actually repairing the Class Vehicles.
- 2059. GM and its agent dealers have failed and refused to conform the 8L90 and 8L45 transmissions to the express Warranties. GM's conduct, as discussed throughout this Complaint, has voided any attempt on its part to disclaim liability for its actions.
- 2060. Moreover, GM's attempt to disclaim or limit these express Warranties vis-à-vis consumers is unconscionable and unenforceable under the circumstances here. Specifically, GM's warranty limitation is unenforceable because it knowingly sold a defective product without informing consumers about the defect.
- 2061. The time limits contained in GM's warranty period were also unconscionable and inadequate to protect Missouri Plaintiffs and the Missouri Sub-

Class Members. Among other things, Missouri Plaintiffs and the Missouri Sub-Class Members had no meaningful choice in determining these time limitations, the terms of which unreasonably favored GM. A gross disparity in bargaining power existed between GM and the Class members, and GM knew or should have known that the Class Vehicles were defective at the time of sale.

2062. Missouri Plaintiffs and the Missouri Sub-Class Members have complied with all obligations under the Warranties, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

2063. Missouri Plaintiffs and the Missouri Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal and external sources.

2064. Because GM, through its conduct and exemplified by its own service bulletins, has covered repairs of the Transmission Defect if GM determines the repairs are appropriately covered under the Warranties, GM cannot now deny that the Warranties cover the Transmission Defect.

2065. Because GM has not been able to remedy the Transmission Defect, any limitation on remedies included in the Warranties causes the Warranties to fail their essential purposes, rendering them null and void.

2066. As a direct and proximate cause of GM's breach, Missouri Plaintiffs and the Missouri Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Missouri Plaintiffs and the Missouri Sub-Class Members have incurred or will incur economic damages at the point of

repair in the form of the cost of repair.

2067. As a direct and proximate result of GM's breach of express warranties, Missouri Plaintiffs and the Missouri Sub-Class Members have been damaged in an amount to be determined at trial.

61. COUNT 61 BREACH OF THE IMPLIED WARRANTY OF MERCHANTABILITY MO. REV. STAT. §§ 400.2-314 AND 400.2A-212

- 2068. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2069. Missouri Plaintiffs bring this cause of action on their own behalf and on behalf of the members of the Missouri Sub-Class.
- 2070. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Mo. Rev. Stat. § 400.2-104(1), and a "seller" of motor vehicles under § 400.2-103(1)(d).
- 2071. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Mo. Rev. Stat. § 400.2A-103(1)(p).
- 2072. The Class Vehicles are and were at all relevant times "goods" within the meaning of Mo. Rev. Stat. § 400.2-105(1) and Mo. Rev. Stat. § 400.2A-103(1)(h).
- 2073. A warranty that the Class Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used is implied by law under Mo. Rev. Stat. § 400.2-314 and Mo. Rev. Stat. § 400.2A-212.
- 2074. GM knew or had reason to know of the specific use for which the Class Vehicles were purchased or leased. GM directly sold and marketed vehicles equipped with the 8L90 and 8L45 transmissions to customers through authorized dealers, like those from whom Missouri Plaintiffs and the Missouri Sub-Class

Members bought or leased their vehicles, for the intended purpose of consumers purchasing the vehicles. GM knew that the Class Vehicles would and did pass unchanged from the authorized dealers to Missouri Plaintiffs and the Missouri Sub-Class Members, with no modification to the defective transmissions.

2075. GM provided Plaintiffs and Class Members with an implied warranty that the Class Vehicles and their components and parts are merchantable and fit for the ordinary purposes for which they were sold.

2076. This implied warranty included, among other things: (i) a warranty that the Class Vehicles and their transmissions that were manufactured, supplied, distributed, and/or sold by GM were safe and reliable for providing transportation; and (ii) a warranty that the Class Vehicles and their transmissions would be fit for their intended use while the Class Vehicles were being operated.

2077. Contrary to the applicable implied warranties, the Class Vehicles and their transmissions at the time of sale and thereafter were not fit for their ordinary and intended purpose of providing Plaintiffs and Class Members with reliable, durable, and safe transportation. Instead, the Class Vehicles are defective, including, but not limited to, the defective design or manufacture of their transmissions and the existence of the Transmission Defect at the time of sale or lease and thereafter. GM knew of this defect at the time these sale or lease transactions occurred.

2078. As a result of GM's breach of the applicable implied warranties, Missouri Plaintiffs and the Missouri Sub-Class Members of the Class Vehicles suffered an ascertainable loss of money, property, and/or value of their Class Vehicles. Additionally, as a result of the Transmission Defect, Missouri Plaintiffs and the Missouri Sub-Class Members were harmed and suffered actual damages in that the Class Vehicles' transmission components are substantially certain to fail before their expected useful life has run.

2079. GM's actions, as complained of herein, breached the implied warranty

that the Class Vehicles were of merchantable quality and fit for such use in violation of Mo. Rev. Stat. § 400.2-314 and Mo. Rev. Stat. § 400.2A-212.

2080. Missouri Plaintiffs and the Missouri Sub-Class Members have complied with all obligations under the warranty, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

2081. Missouri Plaintiffs and the Missouri Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal sources.

2082. As a direct and proximate cause of GM's breach, Missouri Plaintiffs and the Missouri Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Missouri Plaintiffs and the Missouri Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.

2083. As a direct and proximate result of GM's breach of the implied warranty of merchantability, Missouri Plaintiffs and the Missouri Sub-Class Members have been damaged in an amount to be proven at trial.

T. Claims on Behalf of the New Hampshire Sub-Class

62. COUNT 62 VIOLATION OF THE NEW HAMPSHIRE CONSUMER PROTECTION ACT

N.H. REV. STAT. ANN. § 358-A:1, *ET SEQ*.

2084. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.

2085. Plaintiff Michael Banks ("New Hampshire Plaintiff") brings this cause of action on his own behalf and on behalf of the members of the New Hampshire Sub-Class.

2086. New Hampshire Plaintiff, the New Hampshire Sub-Class Members, and GM are "persons" under the New Hampshire Consumer Protection Act ("New Hampshire CPA"). N.H. Rev. Stat. § 358-A:1.

2087. GM's actions as set forth herein occurred in the conduct of trade or commerce as defined under N.H. Rev. Stat. § 358-A:1.

2088. The New Hampshire CPA prohibits a person in the conduct of any trade or commerce from using "any unfair or deceptive act or practice," including "but . . . not limited to the following: . . . (V) Representing that goods or services have . . . characteristics, . . . uses, benefits, or quantities that they do not have," "(VII) Representing that goods or services are of a particular standard, quality, or grade, . . . if they are of another," and "(IX) Advertising goods or services with intent not to sell them as advertised." N.H. Rev. Stat. § 358-A:2.

2089. GM participated in unfair methods of competition or unfair or deceptive acts or practices that violated the New Hampshire CPA as described below and alleged throughout the Complaint. By failing to disclose the Transmission Defect, by concealing the Transmission Defect, by marketing its vehicles as safe, reliable, easily operable, efficient, and of high quality, and by presenting itself as a reputable manufacturer that valued safety, cleanliness, performance and efficiency, and stood behind its vehicles after they were sold, GM knowingly and intentionally misrepresented and omitted material facts in connection with the sale or lease of the Class Vehicles. GM systematically misrepresented, concealed, suppressed, or omitted material facts relating to the Class Vehicles and Transmission Defect in the course of its business. The facts concerning the inherently defective nature of the Class Vehicles would be material to a reasonable consumer.

2090. GM also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale of the Class Vehicles.

2091. GM's unfair and deceptive acts or practices occurred repeatedly in GM's trade or business, were capable of deceiving a substantial portion of the purchasing public, and imposed a serious safety risk on the public.

2092. GM knew that the Class Vehicles and their transmissions suffered from an inherent defect, were defectively designed or manufactured, and were not suitable for their intended use.

2093. GM knew or should have known that its conduct violated the New Hampshire CPA

2094. New Hampshire Plaintiff and the New Hampshire Sub-Class Members reasonably relied on GM's misrepresentations and omissions of material facts in its advertisements of the Class Vehicles and in the purchase of the Class Vehicles.

2095. Had New Hampshire Plaintiff and the New Hampshire Sub-Class Members known that the Class Vehicles would exhibit the Transmission Defect, they would not have purchased or leased the Class Vehicles, or would have paid less for them. Plaintiffs did not receive the benefit of their bargain as a result of GM's misconduct.

2096. GM owed New Hampshire Plaintiff and the New Hampshire Sub-Class Members a duty to disclose the truth about the Transmission Defect because GM:

(a) possessed exclusive knowledge of the Class Vehicles and the Transmission Defect; (b) intentionally concealed the foregoing from New Hampshire Plaintiff and the New Hampshire Sub-Class Members; and/or (c) made incomplete representations regarding the quality and durability of the Class Vehicles, while

purposefully withholding material facts from New Hampshire Plaintiff and the New Hampshire Sub-Class Members that contradicted these representations.

2097. Due to GM's specific and superior knowledge that the transmissions in the Class Vehicles will fail due to the Transmission Defect, its false representations regarding the increased durability of the Class Vehicles, and reliance by New Hampshire Plaintiff and the New Hampshire Sub-Class Members on these material representations, GM had a duty to disclose to Class members that the 8L90 and 8L45 transmissions will cause failure in Class Vehicles, that Class Vehicles do not have the expected durability, reliability, and/or safety over other vehicles or of their predecessor transmissions, that failure of the 8L90 and 8L45 transmissions will cause damage to Class Vehicle engines and engine systems, and that Class members would be required to bear the cost of the damage to their vehicles. Having volunteered to provide information to New Hampshire Plaintiff and the New Hampshire Sub-Class Members, GM had the duty to disclose not just the partial truth, but the entire truth. These omitted and concealed facts were material because they directly impact the value of the Class Vehicles purchased or leased by New Hampshire Plaintiff and the New Hampshire Sub-Class Members. Longevity, durability, performance, and safety are material concerns to GM truck consumers. GM represented to New Hampshire Plaintiff and the New Hampshire Sub-Class Members that they were purchasing or leasing vehicles that were durable, reliable, safe, efficient, of high quality, and containing transmissions of advanced and superior characteristics and technology as alleged throughout this Complaint, when in fact it is only a matter of time before the transmissions fail due to the Transmission Defect.

2098. New Hampshire Plaintiff and the New Hampshire Sub-Class Members suffered injury in fact to a legally protected interest. As a result of GM's conduct, New Hampshire Plaintiff and the New Hampshire Sub-Class Members were harmed

and suffered actual damages in the form of the diminished value of their vehicles.

2099. As a result of GM's conduct, New Hampshire Plaintiff and the New Hampshire Sub-Class Members were harmed and suffered actual damages as a result of GM's misrepresentations and omissions with regard to their Class Vehicles' transmissions because they purchased vehicles which do not perform as advertised.

- 2100. As a direct and proximate result of GM's unfair or deceptive acts or practices, New Hampshire Plaintiff and the New Hampshire Sub-Class Members suffered and will continue to suffer injury in fact and/or actual damages.
- 2101. Defendant's violations present a continuing risk to New Hampshire Plaintiff and the New Hampshire Sub-Class Members as well as to the general public. GM's unlawful acts and practices complained of herein affect the public interest, and its practices are immoral, unethical, oppressive, and/or unscrupulous.
- 2102. Pursuant to N.H. Rev. Stat. § 358-A:10, New Hampshire Plaintiff and the New Hampshire Sub-Class Members seek recovery of actual damages or \$1,000, whichever is greater, treble damages, costs and reasonable attorneys' fees, and any other just and proper relief available under N.H. Rev. Stat. § 358-A:10.

63. COUNT 63 BREACH OF EXPRESS WARRANTY N.H. REV. STAT. §§ 382-A:2-313 AND 382-A:2A-210

- 2103. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2104. New Hampshire Plaintiff brings this cause of action on his own behalf and on behalf of the members of the New Hampshire Sub-Class.
- 2105. GM is and was at all relevant times a "merchant" with respect to motor vehicles under N.H. Rev. Stat. § 382-A:2-104(1), and a "seller" of motor vehicles under 382-A:2-103(1)(d).

- 2106. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under N.H. Rev. Stat. § 382-A:2A-103(1)(p).
- 2107. The Class Vehicles are and were at all relevant times "goods" within the meaning of N.H. Rev. Stat. §§ 382-A:2-105(1) and 2A-103(1)(h).
- 2108. GM provided all purchasers and lessees of the Class Vehicles with the express warranty described herein, which became a material part of the bargain.
- 2109. GM provided all purchasers and lessees of Cadillac-branded Class Vehicles with the Cadillac Warranty and all purchasers and lessees of Chevrolet or GM-branded Class Vehicles with the Chevrolet/GM Warranty.
- 2110. Under the Warranties, GM expressly warranted the following: "The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Accordingly, the warranty covered all defects except for "slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Because the Transmission Defect does not fall into any of the above excluded categories, it is covered under GM's express warranty. GM agreed to provide such repairs "including towing, parts, and labor . . . at no charge" for up to 3 years or 36,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles and for up to 4 years or 50,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Bumper-to-Bumper Limited Warranties").
- 2111. Furthermore, under the Powertrain Component of the Warranties, GMC expressly warranted that the powertrain components listed therein, including the transmission and "all internally lubricated parts, case, torque converter, mounts, seals, and gaskets as well as any electrical components internal to the transmission/transaxle" and "any actuators directly connected to the transmission (slave cylinder, etc.)" are covered under the Warranties for up to 5 years or 60,000 miles, whichever

comes first, for Chevrolet or GM-branded Class Vehicles, and for up to 6 years or 70,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Powertrain Warranties").

- 2112. GM manufactured and/or installed the 8L90 and 8L45 transmissions and the transmissions' component parts in the Class Vehicles, and the 8L90 and 8L45 transmissions and their component parts are covered by the express Warranties.
- 2113. The Transmission Defect at issue in this litigation was present at the time the Class Vehicles were sold or leased to New Hampshire Plaintiff and the New Hampshire Sub-Class Members.
- 2114. Plaintiffs relied on GM's express warranties, which were a material part of the bargain, when purchasing or leasing their Class Vehicles.
- 2115. Under the express Warranties, GM was obligated to correct the Transmission Defect in the vehicles owned or leased by New Hampshire Plaintiff and the New Hampshire Sub-Class Members.
- 2116. Although GM was obligated to correct the Transmission Defect, none of the attempted fixes to the transmissions are adequate under the terms of the Warranties, as they did not cure the defect.
- 2117. GM breached the express Warranties by performing illusory repairs. Rather than repairing the vehicles pursuant to the express Warranties, GM falsely informed New Hampshire Sub-Class Members that there was no problem with their Class Vehicles, performed ineffective procedures including software updates, and/or replaced defective components in the 8L90 and 8L45 transmissions with equally defective components, without actually repairing the Class Vehicles.
- 2118. GM and its agent dealers have failed and refused to conform the 8L90 and 8L45 transmissions to the express Warranties. GM's conduct, as discussed

throughout this Complaint, has voided any attempt on its part to disclaim liability for its actions.

- 2119. Moreover, GM's attempt to disclaim or limit these express Warranties vis-à-vis consumers is unconscionable and unenforceable under the circumstances here. Specifically, GM's warranty limitation is unenforceable because it knowingly sold a defective product without informing consumers about the defect.
- 2120. The time limits contained in GM's warranty period were also unconscionable and inadequate to protect New Hampshire Plaintiff and the New Hampshire Sub-Class Members. Among other things, New Hampshire Plaintiff and the New Hampshire Sub-Class Members had no meaningful choice in determining these time limitations, the terms of which unreasonably favored GM. A gross disparity in bargaining power existed between GM and the Class members, and GM knew or should have known that the Class Vehicles were defective at the time of sale.
- 2121. New Hampshire Plaintiff and the New Hampshire Sub-Class Members have complied with all obligations under the Warranties, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.
- 2122. New Hampshire Plaintiff and the New Hampshire Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal and external sources.
- 2123. Because GM, through its conduct and exemplified by its own service bulletins, has covered repairs of the Transmission Defect if GM determines the

repairs are appropriately covered under the Warranties, GM cannot now deny that the Warranties cover the Transmission Defect.

- 2124. Because GM has not been able to remedy the Transmission Defect, any limitation on remedies included in the Warranties causes the Warranties to fail their essential purposes, rendering them null and void.
- 2125. As a direct and proximate cause of GM's breach, New Hampshire Plaintiff and the New Hampshire Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, New Hampshire Plaintiff and the New Hampshire Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.
- 2126. As a direct and proximate result of GM's breach of express warranties, New Hampshire Plaintiff and the New Hampshire Sub-Class Members have been damaged in an amount to be determined at trial.

64. COUNT 64 BREACH OF THE IMPLIED WARRANTY OF MERCHANTABILITY N.H. REV. STAT. §§ 382-A:2-314 AND 382-A:2A-212

- 2127. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2128. New Hampshire Plaintiff brings this cause of action on his own behalf and on behalf of the members of the New Hampshire Sub-Class.
- 2129. GM is and was at all relevant times a "merchant" with respect to motor vehicles under N.H. Rev. Stat. § 382-A:2-104(1), and a "seller" of motor vehicles under 382-A:2-103(1)(d).
- 2130. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under N.H. Rev. Stat. § 382-A:2A-103(1)(p).

- 2131. The Class Vehicles are and were at all relevant times "goods" within the meaning of N.H. Rev. Stat. §§ 382-A:2-105(1) and 2A-103(1)(h).
- 2132. A warranty that the Class Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used is implied by law under N.H. Rev. Stat. §§ 382-A:2-314 and 382-A:2A-212.
- 2133. GM knew or had reason to know of the specific use for which the Class Vehicles were purchased or leased. GM directly sold and marketed vehicles equipped with the 8L90 and 8L45 transmissions to customers through authorized dealers, like those from whom New Hampshire Plaintiff and the New Hampshire Sub-Class Members bought or leased their vehicles, for the intended purpose of consumers purchasing the vehicles. GM knew that the Class Vehicles would and did pass unchanged from the authorized dealers to New Hampshire Plaintiff and the New Hampshire Sub-Class Members, with no modification to the defective transmissions.
- 2134. GM provided Plaintiffs and Class Members with an implied warranty that the Class Vehicles and their components and parts are merchantable and fit for the ordinary purposes for which they were sold.
- 2135. This implied warranty included, among other things: (i) a warranty that the Class Vehicles and their transmissions that were manufactured, supplied, distributed, and/or sold by GM were safe and reliable for providing transportation; and (ii) a warranty that the Class Vehicles and their transmissions would be fit for their intended use while the Class Vehicles were being operated.
- 2136. Contrary to the applicable implied warranties, the Class Vehicles and their transmissions at the time of sale and thereafter were not fit for their ordinary and intended purpose of providing Plaintiffs and Class Members with reliable, durable, and safe transportation. Instead, the Class Vehicles are defective, including, but not limited to, the defective design or manufacture of their transmissions and the

existence of the Transmission Defect at the time of sale or lease and thereafter. GM knew of this defect at the time these sale or lease transactions occurred.

- 2137. As a result of GM's breach of the applicable implied warranties, New Hampshire Plaintiff and the New Hampshire Sub-Class Members of the Class Vehicles suffered an ascertainable loss of money, property, and/or value of their Class Vehicles. Additionally, as a result of the Transmission Defect, New Hampshire Plaintiff and the New Hampshire Sub-Class Members were harmed and suffered actual damages in that the Class Vehicles' transmission components are substantially certain to fail before their expected useful life has run.
- 2138. GM's actions, as complained of herein, breached the implied warranty that the Class Vehicles were of merchantable quality and fit for such use in violation of N.H. Rev. Stat. §§ 382-A:2-314 and 382-A:2A-212.
- 2139. New Hampshire Plaintiff and the New Hampshire Sub-Class Members have complied with all obligations under the warranty, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.
- 2140. New Hampshire Plaintiff and the New Hampshire Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal sources.
- 2141. As a direct and proximate cause of GM's breach, New Hampshire Plaintiff and the New Hampshire Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, New Hampshire Plaintiff and the New Hampshire Sub-Class Members have incurred or will incur

economic damages at the point of repair in the form of the cost of repair.

2142. As a direct and proximate result of GM's breach of the implied warranty of merchantability, New Hampshire Plaintiff and the New Hampshire Sub-Class Members have been damaged in an amount to be proven at trial.

U. Claims on Behalf of the New Jersey Sub-Class

65. COUNT 65 VIOLATION OF THE NEW JERSEY CONSUMER FRAUD ACT

N.J. STAT. ANN. § 56:8-1, ET SEQ.

- 2143. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2144. Plaintiffs William Grossman, Randall Jacobs, and Joseph Sierchio ("New Jersey Plaintiffs") bring this cause of action on their own behalf and on behalf of the members of the New Jersey Sub-Class.
- 2145. GM, New Jersey Plaintiffs, and the New Jersey Sub-Class Members "persons" within the meaning of the New Jersey Consumer Fraud Act ("New Jersey CFA"), N.J. Stat. Ann. § 56:8-1(d).
- 2146. GM engaged in "sales" of "merchandise" within the meaning of N.J. Stat. Ann. § 56:8-1(c), (d).
- 2147. The New Jersey CFA makes unlawful "[t]he act, use or employment by any person of any unconscionable commercial practice, deception, fraud, false pretense, false promise, misrepresentations, or the knowing concealment, suppression or omission, in connection with the sale or advertisement of any merchandise or real estate, or with the subsequent performance of such person as aforesaid, whether or not any person has in fact been misled, deceived or damaged thereby..." N.J. Stat. Ann. § 56:8-2. GM engaged in unconscionable commercial practice or deceptive acts or practices that violated the New Jersey CFA as described

above and below, and did so with the intent that Plaintiffs rely upon their acts of concealment, suppression and/or omission.

- 2148. GM participated in unfair or deceptive trade practices that violated the New Jersey CFA, including by failing to disclose the Transmission Defect, by concealing the Transmission Defect, by marketing its vehicles as safe, reliable, easily operable, efficient, and of high quality, and by presenting itself as a reputable manufacturer that valued safety, cleanliness, performance and efficiency, and stood behind its vehicles after they were sold, GM knowingly and intentionally misrepresented and omitted material facts in connection with the sale or lease of the Class Vehicles. GM systematically misrepresented, concealed, suppressed, or omitted material facts relating to the Class Vehicles and Transmission Defect in the course of its business.
- 2149. GM also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale of the Class Vehicles.
- 2150. GM's unfair and deceptive acts or practices occurred repeatedly in GM's trade or business, were capable of deceiving a substantial portion of the purchasing public, and imposed a serious safety risk on the public.
- 2151. GM knew that the Class Vehicles and their transmissions suffered from an inherent defect, were defectively designed or manufactured, and were not suitable for their intended use.
- 2152. GM knew or should have known that its conduct violated the New Jersey CFA.
- 2153. New Jersey Plaintiffs and the New Jersey Sub-Class Members reasonably relied on GM's misrepresentations and omissions of material facts in its advertisements of the Class Vehicles and in the purchase of the Class Vehicles.

2154. Had New Jersey Plaintiffs and the New Jersey Sub-Class Members known that the Class Vehicles would exhibit the Transmission Defect, they would not have purchased or leased the Class Vehicles, or would have paid less for them. Plaintiffs did not receive the benefit of their bargain as a result of GM's misconduct.

2155. GM owed New Jersey Plaintiffs and the New Jersey Sub-Class Members a duty to disclose the truth about the Transmission Defect because GM:
(a) possessed exclusive knowledge of the Class Vehicles and the Transmission Defect; (b) intentionally concealed the foregoing from New Jersey Plaintiffs and the New Jersey Sub-Class Members; and/or (c) made incomplete representations regarding the quality and durability of the Class Vehicles, while purposefully withholding material facts from New Jersey Plaintiffs and the New Jersey Sub-Class Members that contradicted these representations.

2156. Due to GM's specific and superior knowledge that the transmissions in the Class Vehicles will fail due to the Transmission Defect, its false representations regarding the increased durability of the Class Vehicles, and reliance by New Jersey Plaintiffs and the New Jersey Sub-Class Members on these material representations, GM had a duty to disclose to Class members that the 8L90 and 8L45 transmissions will cause failure in Class Vehicles, that Class Vehicles do not have the expected durability, reliability, and/or safety over other vehicles or of their predecessor transmissions, that failure of the 8L90 and 8L45 transmissions will cause damage to Class Vehicle engines and engine systems, and that Class members would be required to bear the cost of the damage to their vehicles. Having volunteered to provide information to New Jersey Plaintiffs and the New Jersey Sub-Class Members, GM had the duty to disclose not just the partial truth, but the entire truth. These omitted and concealed facts were material because they directly impact the value of the Class Vehicles purchased or leased by New Jersey Plaintiffs and the New Jersey Sub-Class Members. Longevity, durability, performance, and safety are

material concerns to GM truck consumers. GM represented to New Jersey Plaintiffs and the New Jersey Sub-Class Members that they were purchasing or leasing vehicles that were durable, reliable, safe, efficient, of high quality, and containing transmissions of advanced and superior characteristics and technology as alleged throughout this Complaint, when in fact it is only a matter of time before the transmissions fail due to the Transmission Defect.

- 2157. New Jersey Plaintiffs and the New Jersey Sub-Class Members suffered injury in fact to a legally protected interest. As a result of GM's conduct, New Jersey Plaintiffs and the New Jersey Sub-Class Members were harmed and suffered actual damages in the form of the diminished value of their vehicles.
- 2158. As a result of GM's conduct, New Jersey Plaintiffs and the New Jersey Sub-Class Members were harmed and suffered actual damages as a result of GM's misrepresentations and omissions with regard to their Class Vehicles' transmissions because they purchased vehicles which do not perform as advertised.
- 2159. As a direct and proximate result of GM's unfair or deceptive acts or practices, New Jersey Plaintiffs and the New Jersey Sub-Class Members suffered and will continue to suffer injury in fact and/or actual damages.
- 2160. Defendant's violations present a continuing risk to New Jersey Plaintiffs and the New Jersey Sub-Class Members as well as to the general public. Defendant's unlawful acts and practices complained of herein affect the public interest.
- 2161. Pursuant to N.J. Stat. Ann. § 56:8-19, New Jersey Plaintiffs and the New Jersey Sub-Class Members seek an order enjoining GM's unlawful conduct, actual damages, treble damages, attorneys' fees, costs, and any other just and proper relief available under the New Jersey CFA

66. COUNT 66 BREACH OF EXPRESS WARRANTY N.J. STAT. ANN. §§ 12A:2-313 AND 2A-210

- 2162. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2163. New Jersey Plaintiffs bring this cause of action on his own behalf and on behalf of the members of the New Jersey Sub-Class.
- 2164. GM is and was at all relevant times a "merchant" with respect to motor vehicles under N.J. Stat. Ann. § 12A:2-104(1) and a "seller" of motor vehicles under § 2-103(1)(d).
- 2165. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under N.J. Stat. Ann.§ 12A:2A-103(1)(p).
- 2166. The Class Vehicles are and were at all relevant times "goods" within the meaning of N.J. Stat. Ann.§§ 12A:2-105(1) and 2A-103(1)(h).
- 2167. GM provided all purchasers and lessees of the Class Vehicles with the express warranty described herein, which became a material part of the bargain.
- 2168. GM provided all purchasers and lessees of Cadillac-branded Class Vehicles with the Cadillac Warranty and all purchasers and lessees of Chevrolet or GM-branded Class Vehicles with the Chevrolet/GM Warranty.
- 2169. Under the Warranties, GM expressly warranted the following: "The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Accordingly, the warranty covered all defects except for "slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Because the Transmission Defect does not fall into any of the above excluded categories, it is covered under GM's express warranty. GM agreed to provide such repairs

"including towing, parts, and labor . . . at no charge" for up to 3 years or 36,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles and for up to 4 years or 50,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Bumper-to-Bumper Limited Warranties").

- 2170. Furthermore, under the Powertrain Component of the Warranties, GMC expressly warranted that the powertrain components listed therein, including the transmission and "all internally lubricated parts, case, torque converter, mounts, seals, and gaskets as well as any electrical components internal to the transmission/transaxle" and "any actuators directly connected to the transmission (slave cylinder, etc.)" are covered under the Warranties for up to 5 years or 60,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles, and for up to 6 years or 70,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Powertrain Warranties").
- 2171. GM manufactured and/or installed the 8L90 and 8L45 transmissions and the transmissions' component parts in the Class Vehicles, and the 8L90 and 8L45 transmissions and their component parts are covered by the express Warranties.
- 2172. The Transmission Defect at issue in this litigation was present at the time the Class Vehicles were sold or leased to New Jersey Plaintiffs and the New Jersey Sub-Class Members.
- 2173. Plaintiffs relied on GM's express warranties, which were a material part of the bargain, when purchasing or leasing their Class Vehicles.
- 2174. Under the express Warranties, GM was obligated to correct the Transmission Defect in the vehicles owned or leased by New Jersey Plaintiffs and the New Jersey Sub-Class Members.
- 2175. Although GM was obligated to correct the Transmission Defect, none of the attempted fixes to the transmissions are adequate under the terms of the

Warranties, as they did not cure the defect.

2176. GM breached the express Warranties by performing illusory repairs. Rather than repairing the vehicles pursuant to the express Warranties, GM falsely informed New Jersey Sub-Class Members that there was no problem with their Class Vehicles, performed ineffective procedures including software updates, and/or replaced defective components in the 8L90 and 8L45 transmissions with equally defective components, without actually repairing the Class Vehicles.

2177. GM and its agent dealers have failed and refused to conform the 8L90 and 8L45 transmissions to the express Warranties. GM's conduct, as discussed throughout this Complaint, has voided any attempt on its part to disclaim liability for its actions.

2178. Moreover, GM's attempt to disclaim or limit these express Warranties vis-à-vis consumers is unconscionable and unenforceable under the circumstances here. Specifically, GM's warranty limitation is unenforceable because it knowingly sold a defective product without informing consumers about the defect.

2179. The time limits contained in GM's warranty period were also unconscionable and inadequate to protect New Jersey Plaintiffs and the New Jersey Sub-Class Members. Among other things, New Jersey Plaintiffs and the New Jersey Sub-Class Members had no meaningful choice in determining these time limitations, the terms of which unreasonably favored GM. A gross disparity in bargaining power existed between GM and the Class members, and GM knew or should have known that the Class Vehicles were defective at the time of sale.

2180. New Jersey Plaintiffs and the New Jersey Sub-Class Members have complied with all obligations under the Warranties, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

2181. New Jersey Plaintiffs and the New Jersey Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity

to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal and external sources.

- 2182. Because GM, through its conduct and exemplified by its own service bulletins, has covered repairs of the Transmission Defect if GM determines the repairs are appropriately covered under the Warranties, GM cannot now deny that the Warranties cover the Transmission Defect.
- 2183. Because GM has not been able to remedy the Transmission Defect, any limitation on remedies included in the Warranties causes the Warranties to fail their essential purposes, rendering them null and void.
- 2184. As a direct and proximate cause of GM's breach, New Jersey Plaintiffs and the New Jersey Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, New Jersey Plaintiffs and the New Jersey Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.
- 2185. As a direct and proximate result of GM's breach of express warranties, New Jersey Plaintiffs and the New Jersey Sub-Class Members have been damaged in an amount to be determined at trial.

67. COUNT 67 BREACH OF THE IMPLIED WARRANTY OF MERCHANTABILITY N.J. STAT. ANN. §§ 12A:2-314 AND 2A-212

2186. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.

- 2187. New Jersey Plaintiffs bring this cause of action on his own behalf and on behalf of the members of the New Jersey Sub-Class.
- 2188. GM is and was at all relevant times a "merchant" with respect to motor vehicles under N.J. Stat. Ann. § 12A:2-104(1) and a "seller" of motor vehicles under § 2-103(1)(d).
- 2189. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under N.J. Stat. Ann.§ 12A:2A-103(1)(p).
- 2190. The Class Vehicles are and were at all relevant times "goods" within the meaning of N.J. Stat. Ann. §§ 12A:2-105(1) and 2A-103(1)(h).
- 2191. A warranty that the Class Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used is implied by law under N.J. Stat. Ann. §§ 12A:2-314 and 2A-212.
- 2192. GM knew or had reason to know of the specific use for which the Class Vehicles were purchased or leased. GM directly sold and marketed vehicles equipped with the 8L90 and 8L45 transmissions to customers through authorized dealers, like those from whom New Jersey Plaintiffs and the New Jersey Sub-Class Members bought or leased their vehicles, for the intended purpose of consumers purchasing the vehicles. GM knew that the Class Vehicles would and did pass unchanged from the authorized dealers to New Jersey Plaintiffs and the New Jersey Sub-Class Members, with no modification to the defective transmissions.
- 2193. GM provided Plaintiffs and Class Members with an implied warranty that the Class Vehicles and their components and parts are merchantable and fit for the ordinary purposes for which they were sold.
- 2194. This implied warranty included, among other things: (i) a warranty that the Class Vehicles and their transmissions that were manufactured, supplied, distributed, and/or sold by GM were safe and reliable for providing transportation; and (ii) a warranty that the Class Vehicles and their transmissions would be fit for

their intended use while the Class Vehicles were being operated.

2195. Contrary to the applicable implied warranties, the Class Vehicles and their transmissions at the time of sale and thereafter were not fit for their ordinary and intended purpose of providing Plaintiffs and Class Members with reliable, durable, and safe transportation. Instead, the Class Vehicles are defective, including, but not limited to, the defective design or manufacture of their transmissions and the existence of the Transmission Defect at the time of sale or lease and thereafter. GM knew of this defect at the time these sale or lease transactions occurred.

2196. As a result of GM's breach of the applicable implied warranties, New Jersey Plaintiffs and the New Jersey Sub-Class Members of the Class Vehicles suffered an ascertainable loss of money, property, and/or value of their Class Vehicles. Additionally, as a result of the Transmission Defect, New Jersey Plaintiffs and the New Jersey Sub-Class Members were harmed and suffered actual damages in that the Class Vehicles' transmission components are substantially certain to fail before their expected useful life has run.

2197. GM's actions, as complained of herein, breached the implied warranty that the Class Vehicles were of merchantable quality and fit for such use in violation of N.J. Stat. Ann. §§ 12A:2-314 and 2A-212.

2198. New Jersey Plaintiffs and the New Jersey Sub-Class Members have complied with all obligations under the warranty, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

2199. New Jersey Plaintiffs and the New Jersey Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal sources.

2200. As a direct and proximate cause of GM's breach, New Jersey Plaintiffs and the New Jersey Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, New Jersey Plaintiffs and the New Jersey Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.

2201. As a direct and proximate result of GM's breach of the implied warranty of merchantability, New Jersey Plaintiffs and the New Jersey Sub-Class Members have been damaged in an amount to be proven at trial.

V. Claims on Behalf of the New York Sub-Class

68. COUNT 68 VIOLATION OF THE NEW YORK GENERAL BUSINESS LAW § 349 N.Y. GEN. BUS. LAW § 349

- 2202. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2203. Plaintiffs Charles Larsen, Marc Mazza, Andre McQuade, Michael Plafker, and Michael Sylvester ("New York Plaintiffs") bring this cause of action on their own behalf and on behalf of the members of the New York Sub-Class.
- 2204. New York Plaintiffs and the New York Sub-Class Members are "persons" within the meaning of New York General Business Law ("New York GBL"). N.Y. Gen. Bus. Law § 349(h).
- 2205. GM is a "person," "firm," "corporation," or "association" within the meaning of N.Y. Gen. Bus. Law § 349.
- 2206. New York's General Business Law § 349 makes unlawful "[d]eceptive acts or practices in the conduct of any business, trade or commerce." N.Y. Gen. Bus. Law § 349. GM's conduct, as described in this Complaint, constitutes "deceptive

acts or practices" within the meaning of the New York GBL. All of GM's deceptive acts and practices, which were intended to mislead consumers in a material way in the process of purchasing or leasing Class Vehicles, constitute conduct directed at consumers and "consumer-oriented." Further, New York Plaintiffs and the New York Sub-Class Members suffered injury as a result of the deceptive acts or practice.

2207. GM's actions, as set forth above, occurred in the conduct of business, trade or commerce.

2208. GM participated in unfair or deceptive trade practices that violated the New York GBL as described below and alleged throughout the Complaint. By failing to disclose the Transmission Defect, by concealing the Transmission Defect, by marketing its vehicles as safe, reliable, easily operable, efficient, and of high quality, and by presenting itself as a reputable manufacturer that valued safety, cleanliness, performance and efficiency, and stood behind its vehicles after they were sold, GM knowingly and intentionally misrepresented and omitted material facts in connection with the sale or lease of the Class Vehicles. GM systematically misrepresented, concealed, suppressed, or omitted material facts relating to the Class Vehicles and Transmission Defect in the course of its business.

2209. GM also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale of the Class Vehicles.

- 2210. GM's unfair and deceptive acts or practices occurred repeatedly in GM's trade or business, were capable of deceiving a substantial portion of the purchasing public, and imposed a serious safety risk on the public.
- 2211. GM knew that the Class Vehicles and their transmissions suffered from an inherent defect, were defectively designed or manufactured, and were not suitable for their intended use.

- 2212. GM knew or should have known that its conduct violated the New York GBL.
- 2213. New York Plaintiffs and the New York Sub-Class Members reasonably relied on GM's misrepresentations and omissions of material facts in its advertisements of the Class Vehicles and in the purchase of the Class Vehicles.
- 2214. Had New York Plaintiffs and the New York Sub-Class Members known that the Class Vehicles would exhibit the Transmission Defect, they would not have purchased or leased the Class Vehicles, or would have paid less for them. Plaintiffs did not receive the benefit of their bargain as a result of GM's misconduct.
- 2215. GM owed New York Plaintiffs and the New York Sub-Class Members a duty to disclose the truth about the Transmission Defect because GM: (a) possessed exclusive knowledge of the Class Vehicles and the Transmission Defect; (b) intentionally concealed the foregoing from New York Plaintiffs and the New York Sub-Class Members; and/or (c) made incomplete representations regarding the quality and durability of the Class Vehicles, while purposefully withholding material facts from New York Plaintiffs and the New York Sub-Class Members that contradicted these representations.
- 2216. Due to GM's specific and superior knowledge that the transmissions in the Class Vehicles will fail due to the Transmission Defect, its false representations regarding the increased durability of the Class Vehicles, and reliance by New York Plaintiffs and the New York Sub-Class Members on these material representations, GM had a duty to disclose to Class members that the 8L90 and 8L45 transmissions will cause failure in Class Vehicles, that Class Vehicles do not have the expected durability, reliability, and/or safety over other vehicles or of their predecessor transmissions, that failure of the 8L90 and 8L45 transmissions will cause damage to Class Vehicle engines and engine systems, and that Class members would be required to bear the cost of the damage to their vehicles. Having volunteered to

provide information to New York Plaintiffs and the New York Sub-Class Members, GM had the duty to disclose not just the partial truth, but the entire truth. These omitted and concealed facts were material because they are likely to mislead a reasonable consumer and directly impact the value of the Class Vehicles purchased or leased by New York Plaintiffs and the New York Sub-Class Members. Longevity, durability, performance, and safety are material concerns to GM truck consumers. GM represented to New York Plaintiffs and the New York Sub-Class Members that they were purchasing or leasing vehicles that were durable, reliable, safe, efficient, of high quality, and containing transmissions of advanced and superior characteristics and technology as alleged throughout this Complaint, when in fact it is only a matter of time before the transmissions fail due to the Transmission Defect.

- 2217. New York Plaintiffs and the New York Sub-Class Members suffered injury in fact to a legally protected interest. As a result of GM's conduct, New York Plaintiffs and the New York Sub-Class Members were harmed and suffered actual damages in the form of the diminished value of their vehicles.
- 2218. As a result of GM's conduct, New York Plaintiffs and the New York Sub-Class Members were harmed and suffered actual damages as a result of GM's misrepresentations and omissions with regard to their Class Vehicles' transmissions because they purchased vehicles which do not perform as advertised.
- 2219. As a direct and proximate result of GM's unfair or deceptive acts or practices, New York Plaintiffs and the New York Sub-Class Members suffered and will continue to suffer injury in fact and/or actual damages.
- 2220. GM's violations present a continuing risk to New York Plaintiffs and the New York Sub-Class Members as well as to the general public. GM's unlawful acts and practices complained of herein affect the public interest. Specifically: (1) the number of consumers affected by GM's deceptive practices are in the hundreds of thousands nation-wide; (2) GM has significantly high sophistication and

bargaining power with respect to the manufacture and sale of the Class Vehicles to Plaintiffs and individual Class members; and (3) so long as the Class Vehicles continue to be sold and distributed with the defective transmissions, the likelihood of continued impact on other consumers is significant.

2221. Pursuant to N.Y. Gen. Bus. Law § 349(h), New York Plaintiffs and each New York Sub-Class Member seek actual damages or \$50, whichever is greater, in addition to discretionary three times actual damages up to \$1,000 for Defendant's willful and knowing violation of N.Y. Gen. Bus. Law § 349. Plaintiffs and New York Class members also seek attorneys' fees, an order enjoining GM's deceptive conduct, and any other just and proper relief available under the New York GBL.

69. COUNT 69 VIOLATION OF THE NEW YORK GENERAL BUSINESS LAW § 350 N.Y. GEN. BUS. LAW § 350

- 2222. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2223. New York Plaintiffs bring this cause of action on their own behalf and on behalf of the members of the New York Sub-Class.
- 2224. New York's General Business Law § 350, the New York False Advertising Act ("NY FAA"), makes unlawful "[f]alse advertising in the conduct of any business, trade or commerce[.]" False advertising includes "advertising, including labeling, of a commodity . . . if such advertising is misleading in a material respect," taking into account "the extent to which the advertising fails to reveal facts material in the light of . . . representations [made] with respect to the commodity." N.Y. Gen. Bus. Law § 350-a.
 - 2225. GM caused to be made or disseminated throughout New York, through

advertising, marketing, and other publications, representations that were untrue or misleading, and which were known, or which by the exercise of reasonable care should have been known to GM, to be untrue and misleading to consumers, including New York Plaintiffs and the New York Sub-Class Members.

2226. GM violated the NY FAA because of the misrepresentations and omissions alleged herein, including, but not limited to, GM's failure to disclose the Transmission Defect, by concealing the Transmission Defect, by marketing its vehicles as safe, reliable, easily operable, efficient, and of high quality, and by presenting itself as a reputable manufacturer that valued safety, cleanliness, performance and efficiency, and stood behind its vehicles after they were sold, GM knowingly and intentionally misrepresented and omitted material facts in connection with the sale or lease of the Class Vehicles. GM systematically misrepresented, concealed, suppressed, or omitted material facts relating to the Class Vehicles and Transmission Defect in the course of its business.

2227. In purchasing or leasing the Class Vehicles, New York Plaintiffs and the New York Sub-Class Members were deceived by GM's failure to disclose that the normal use of the Class Vehicles causes the Transmission Defect to manifest and result in failure of the Class Vehicles' normal operations.

2228. New York Plaintiffs and the New York Sub-Class Members had no way of knowing that GM's representations and omissions were false and misleading, that an internal component part of the Class Vehicles is devastatingly defective to the entire system, that the normal and intended use of the Class Vehicles will cause the transmissions to fail, or that GM would refuse to repair, replace, or compensate New York Plaintiffs and the New York Sub-Class Members for the failure of the defective transmissions and the known consequences of that failure to the Class Vehicles.

2229. GM's unfair or deceptive acts or practices, fraud, misrepresentations, suppression or omission of material facts were likely to and did in fact deceive

reasonable consumers.

- 2230. GM intentionally and knowingly misrepresented material facts regarding the Class Vehicles with intent to mislead New York Plaintiffs and the New York Sub-Class Members.
 - 2231. GM knew or should have known that its conduct violated the NY FAA.
- 2232. New York Plaintiffs and the New York Sub-Class Members reasonably relied on GM's misrepresentations and omissions of material facts in its advertisements of the Class Vehicles and in the purchase of the Class Vehicles.
- 2233. Had New York Plaintiffs and the New York Sub-Class Members known that the Class Vehicles would exhibit the Transmission Defect, they would not have purchased or leased the Class Vehicles, or would have paid less for them. Plaintiffs did not receive the benefit of their bargain as a result of GM's misconduct.
- 2234. GM owed New York Plaintiffs and the New York Sub-Class Members a duty to disclose the truth about the Transmission Defect because GM: (a) possessed exclusive knowledge of the Class Vehicles and the Transmission Defect; (b) intentionally concealed the foregoing from New York Plaintiffs and the New York Sub-Class Members; and/or (c) made incomplete representations regarding the quality and durability of the Class Vehicles, while purposefully withholding material facts from New York Plaintiffs and the New York Sub-Class Members that contradicted these representations.
- 2235. Due to GM's specific and superior knowledge that the transmissions in the Class Vehicles will fail due to the Transmission Defect, its false representations regarding the increased durability of the Class Vehicles, and reliance by New York Plaintiffs and the New York Sub-Class Members on these material representations, GM had a duty to disclose to Class members that the 8L90 and 8L45 transmissions will cause failure in Class Vehicles, that Class Vehicles do not have the expected durability, reliability, and/or safety over other vehicles or of their predecessor

class Vehicle engines and engine systems, and that Class members would be required to bear the cost of the damage to their vehicles. Having volunteered to provide information to New York Plaintiffs and the New York Sub-Class Members, GM had the duty to disclose not just the partial truth, but the entire truth. These omitted and concealed facts were material because they directly impact the value of the Class Vehicles purchased or leased New York Plaintiffs and the New York Sub-Class Members. Longevity, durability, performance, and safety are material concerns to GM truck consumers. GM represented to New York Plaintiffs and the New York Sub-Class Members that they were purchasing or leasing vehicles that were durable, reliable, safe, efficient, of high quality, and containing transmissions of advanced and superior characteristics and technology as alleged throughout this Complaint, when in fact it is only a matter of time before the transmissions fail due to the Transmission Defect.

2236. New York Plaintiffs and the New York Sub-Class Members were injured and suffered ascertainable loss, injury in fact, and/or actual damage as a proximate result of GM's conduct in that they overpaid for their Class Vehicles and did not receive the benefit of their bargain, and their Class Vehicles have suffered a diminution in value. These injuries are the direct and natural consequence of GM's misrepresentations, fraud, deceptive practices, and omissions.

2237. New York Plaintiffs and the New York Sub-Class Members are entitled to recover their actual damages or \$500, whichever is greater. Because GM acted willfully or knowingly, New York Plaintiffs and the New York Sub-Class Members are entitled to recover three times actual damages, up to \$10,000.

70. COUNT 70 BREACH OF EXPRESS WARRANTY N.Y. U.C.C. §§ 2-314 AND 2A-210

- 2238. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2239. New York Plaintiffs bring this cause of action on their own behalf and on behalf of the members of the New York Sub-Class.
- 2240. GM is and was at all relevant times a "merchant" with respect to motor vehicles under N.Y. UCC Law §§ 11-2-104(1), and a "seller" of motor vehicles under § 2-103(1)(d).
- 2241. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under N.Y. UCC Law § 2A-103(1)(p).
- 2242. The Class Vehicles are and were at all relevant times "goods" within the meaning of N.Y. UCC Law §§ 2-105(1) and 2A-103(1)(h).
- 2243. GM provided all purchasers and lessees of the Class Vehicles with the express warranty described herein, which became a material part of the bargain.
- 2244. GM provided all purchasers and lessees of Cadillac-branded Class Vehicles with the Cadillac Warranty and all purchasers and lessees of Chevrolet or GM-branded Class Vehicles with the Chevrolet/GM Warranty.
- 2245. Under the Warranties, GM expressly warranted the following: "The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Accordingly, the warranty covered all defects except for "slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Because the Transmission Defect does not fall into any of the above excluded categories, it is covered under GM's express warranty. GM agreed to provide such repairs

"including towing, parts, and labor . . . at no charge" for up to 3 years or 36,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles and for up to 4 years or 50,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Bumper-to-Bumper Limited Warranties").

2246. Furthermore, under the Powertrain Component of the Warranties, GMC expressly warranted that the powertrain components listed therein, including the transmission and "all internally lubricated parts, case, torque converter, mounts, seals, and gaskets as well as any electrical components internal to the transmission/transaxle" and "any actuators directly connected to the transmission (slave cylinder, etc.)" are covered under the Warranties for up to 5 years or 60,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles, and for up to 6 years or 70,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Powertrain Warranties").

- 2247. GM manufactured and/or installed the 8L90 and 8L45 transmissions and the transmissions' component parts in the Class Vehicles, and the 8L90 and 8L45 transmissions and their component parts are covered by the express Warranties.
- 2248. The Transmission Defect at issue in this litigation was present at the time the Class Vehicles were sold or leased to New York Plaintiffs and the New York Sub-Class Members.
- 2249. Plaintiffs relied on GM's express warranties, which were a material part of the bargain, when purchasing or leasing their Class Vehicles.
- 2250. Under the express Warranties, GM was obligated to correct the Transmission Defect in the vehicles owned or leased by New York Plaintiffs and the New York Sub-Class Members.
- 2251. Although GM was obligated to correct the Transmission Defect, none of the attempted fixes to the transmissions are adequate under the terms of the

Warranties, as they did not cure the defect.

- 2252. GM breached the express Warranties by performing illusory repairs. Rather than repairing the vehicles pursuant to the express Warranties, GM falsely informed New York Sub-Class Members that there was no problem with their Class Vehicles, performed ineffective procedures including software updates, and/or replaced defective components in the 8L90 and 8L45 transmissions with equally defective components, without actually repairing the Class Vehicles.
- 2253. GM and its agent dealers have failed and refused to conform the 8L90 and 8L45 transmissions to the express Warranties. GM's conduct, as discussed throughout this Complaint, has voided any attempt on its part to disclaim liability for its actions.
- 2254. Moreover, GM's attempt to disclaim or limit these express Warranties vis-à-vis consumers is unconscionable and unenforceable under the circumstances here. Specifically, GM's warranty limitation is unenforceable because it knowingly sold a defective product without informing consumers about the defect.
- 2255. The time limits contained in GM's warranty period were also unconscionable and inadequate to protect New York Plaintiffs and the New York Sub-Class Members. Among other things, New York Plaintiffs and the New York Sub-Class Members had no meaningful choice in determining these time limitations, the terms of which unreasonably favored GM. A gross disparity in bargaining power existed between GM and the Class members, and GM knew or should have known that the Class Vehicles were defective at the time of sale.
- 2256. New York Plaintiffs and the New York Sub-Class Members have complied with all obligations under the Warranties, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.
- 2257. New York Plaintiffs and the New York Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity

to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal and external sources.

- 2258. Because GM, through its conduct and exemplified by its own service bulletins, has covered repairs of the Transmission Defect if GM determines the repairs are appropriately covered under the Warranties, GM cannot now deny that the Warranties cover the Transmission Defect.
- 2259. Because GM has not been able to remedy the Transmission Defect, any limitation on remedies included in the Warranties causes the Warranties to fail their essential purposes, rendering them null and void.
- 2260. As a direct and proximate cause of GM's breach, New York Plaintiffs and the New York Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, New York Plaintiffs and the New York Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.
- 2261. As a direct and proximate result of GM's breach of express warranties, New York Plaintiffs and the New York Sub-Class Members have been damaged in an amount to be determined at trial.

71. COUNT 71 BREACH OF THE IMPLIED WARRANTY OF MERCHANTABILITY N.Y. U.C.C. §§ 2-314 AND 2A-212

2262. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.

- 2263. New York Plaintiffs bring this cause of action on their own behalf and on behalf of the members of the New York Sub-Class.
- 2264. GM is and was at all relevant times a "merchant" with respect to motor vehicles under N.Y. UCC Law §§ 11-2-104(1), and a "seller" of motor vehicles under § 2-103(1)(d).
- 2265. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under N.Y. UCC Law § 2A-103(1)(p).
- 2266. The Class Vehicles are and were at all relevant times "goods" within the meaning of N.Y. UCC Law §§ 2-105(1) and 2A-103(1)(h).
- 2267. A warranty that the Class Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used is implied by law under N.Y. UCC Law §§ 2-314 and 2A-212.
- 2268. GM knew or had reason to know of the specific use for which the Class Vehicles were purchased or leased. GM directly sold and marketed vehicles equipped with the 8L90 and 8L45 transmissions to customers through authorized dealers, like those from whom New York Plaintiffs and the New York Sub-Class Members bought or leased their vehicles, for the intended purpose of consumers purchasing the vehicles. GM knew that the Class Vehicles would and did pass unchanged from the authorized dealers to New York Plaintiffs and the New York Sub-Class Members, with no modification to the defective transmissions.
- 2269. GM provided Plaintiffs and Class Members with an implied warranty that the Class Vehicles and their components and parts are merchantable and fit for the ordinary purposes for which they were sold.
- 2270. This implied warranty included, among other things: (i) a warranty that the Class Vehicles and their transmissions that were manufactured, supplied, distributed, and/or sold by GM were safe and reliable for providing transportation; and (ii) a warranty that the Class Vehicles and their transmissions would be fit for

their intended use while the Class Vehicles were being operated.

- 2271. Contrary to the applicable implied warranties, the Class Vehicles and their transmissions at the time of sale and thereafter were not fit for their ordinary and intended purpose of providing Plaintiffs and Class Members with reliable, durable, and safe transportation. Instead, the Class Vehicles are defective, including, but not limited to, the defective design or manufacture of their transmissions and the existence of the Transmission Defect at the time of sale or lease and thereafter. GM knew of this defect at the time these sale or lease transactions occurred.
- 2272. As a result of GM's breach of the applicable implied warranties, New York Plaintiffs and the New York Sub-Class Members of the Class Vehicles suffered an ascertainable loss of money, property, and/or value of their Class Vehicles. Additionally, as a result of the Transmission Defect, New York Plaintiffs and the New York Sub-Class Members were harmed and suffered actual damages in that the Class Vehicles' transmission components are substantially certain to fail before their expected useful life has run.
- 2273. GM's actions, as complained of herein, breached the implied warranty that the Class Vehicles were of merchantable quality and fit for such use in violation of N.Y. UCC Law §§ 2-314 and 2A-212.
- 2274. New York Plaintiffs and the New York Sub-Class Members have complied with all obligations under the warranty, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.
- 2275. New York Plaintiffs and the New York Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal sources.

- 2276. As a direct and proximate cause of GM's breach, New York Plaintiffs and the New York Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, New York Plaintiffs and the New York Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.
- 2277. As a direct and proximate result of GM's breach of the implied warranty of merchantability, New York Plaintiffs and the New York Sub-Class Members have been damaged in an amount to be proven at trial.

W. Claims on Behalf of the North Carolina Class

72. COUNT 72 VIOLATION OF THE NORTH CAROLINA UNFAIR AND DECEPTIVE ACTS AND PRACTICES ACT N.C. GEN. STAT. § 75-1.1, ET SEQ.

- 2278. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2279. Plaintiffs Steven Brack, Jimmy Harman, and Richard "Terry" Shope, ("North Carolina Plaintiffs") brings this cause of action on his own behalf and on behalf of the members of the North Carolina Sub-Class.
- 2280. GM engaged in "commerce" within the meaning of the North Carolina Unfair and Deceptive Acts and Practices Act ("North Carolina UDTPA"), N.C. Gen. Stat. § 75-1.1(b).
- 2281. The North Carolina UDTPA broadly prohibits "unfair or deceptive acts or practices in or affecting commerce." N.C. Gen. Stat. § 75-1.1(a). GM willfully committed unfair or deceptive acts or practices in violation of North Carolina UDTPA.
 - 2282. GM participated in misleading, false, or deceptive acts that violated the

North Carolina UDTPA as described below and alleged throughout the Complaint. By failing to disclose the Transmission Defect, by concealing the Transmission Defect, by marketing its vehicles as safe, reliable, easily operable, efficient, and of high quality, and by presenting itself as a reputable manufacturer that valued safety, cleanliness, performance and efficiency, and stood behind its vehicles after they were sold, GM knowingly and intentionally misrepresented and omitted material facts in connection with the sale or lease of the Class Vehicles. GM systematically misrepresented, concealed, suppressed, or omitted material facts relating to the Class Vehicles and Transmission Defect in the course of its business.

2283. GM also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale of the Class Vehicles.

2284. GM's unfair and deceptive acts or practices occurred repeatedly in GM's trade or business, were capable of deceiving a substantial portion of the purchasing public, and imposed a serious safety risk on the public.

2285. GM knew that the Class Vehicles and their transmissions suffered from an inherent defect, were defectively designed or manufactured, and were not suitable for their intended use.

2286. GM knew or should have known that its conduct violated the North Carolina UDTPA.

2287. North Carolina Plaintiff and the North Carolina Sub-Class Members reasonably relied on GM's misrepresentations and omissions of material facts in its advertisements of the Class Vehicles and in the purchase of the Class Vehicles.

2288. Had North Carolina Plaintiff and the North Carolina Sub-Class Members known that the Class Vehicles would exhibit the Transmission Defect, they would not have purchased or leased the Class Vehicles, or would have paid less

for them. Plaintiffs did not receive the benefit of their bargain as a result of GM's misconduct.

2289. GM owed North Carolina Plaintiff and the North Carolina Sub-Class Members a duty to disclose the truth about the Transmission Defect because GM:
(a) possessed exclusive knowledge of the Class Vehicles and the Transmission Defect; (b) intentionally concealed the foregoing from North Carolina Plaintiff and the North Carolina Sub-Class Members; and/or (c) made incomplete representations regarding the quality and durability of the Class Vehicles, while purposefully withholding material facts from North Carolina Plaintiff and the North Carolina Sub-Class Members that contradicted these representations.

2290. Due to GM's specific and superior knowledge that the transmissions in the Class Vehicles will fail due to the Transmission Defect, its false representations regarding the increased durability of the Class Vehicles, and reliance by North Carolina Plaintiff and the North Carolina Sub-Class Members on these material representations, GM had a duty to disclose to Class members that the 8L90 and 8L45 transmissions will cause failure in Class Vehicles, that Class Vehicles do not have the expected durability, reliability, and/or safety over other vehicles or of their predecessor transmissions, that failure of the 8L90 and 8L45 transmissions will cause damage to Class Vehicle engines and engine systems, and that Class members would be required to bear the cost of the damage to their vehicles. Having volunteered to provide information to North Carolina Plaintiff and the North Carolina Sub-Class Members, GM had the duty to disclose not just the partial truth, but the entire truth. These omitted and concealed facts were material because they directly impact the value of the Class Vehicles purchased or leased by North Carolina Plaintiff and the North Carolina Sub-Class Members. Longevity, durability, performance, and safety are material concerns to GM truck consumers. GM represented to North Carolina Plaintiff and the North Carolina Sub-Class Members that they were purchasing or leasing vehicles that were durable, reliable, safe, efficient, of high quality, and containing transmissions of advanced and superior characteristics and technology as alleged throughout this Complaint, when in fact it is only a matter of time before the transmissions fail due to the Transmission Defect.

2291. North Carolina Plaintiff and the North Carolina Sub-Class Members suffered injury in fact to a legally protected interest. As a result of GM's conduct, North Carolina Plaintiff and the North Carolina Sub-Class Members were harmed and suffered actual damages in the form of the diminished value of their vehicles.

2292. As a result of GM's conduct, North Carolina Plaintiff and the North Carolina Sub-Class Members were harmed and suffered actual damages as a result of GM's misrepresentations and omissions with regard to their Class Vehicles' transmissions because they purchased vehicles which do not perform as advertised.

2293. As a direct and proximate result of GM's unfair or deceptive acts or practices, North Carolina Plaintiff and the North Carolina Sub-Class Members suffered and will continue to suffer injury in fact and/or actual damages.

2294. Defendant's violations present a continuing risk to North Carolina Plaintiff and the North Carolina Sub-Class Members as well as to the general public. Defendant's unlawful acts and practices complained of herein affect the public interest.

2295. Because GM's actions and conduct were willful, Plaintiffs seek an order for treble their actual damages, an order enjoining GM's unlawful acts, court costs, attorneys' fees, and any other just and proper relief available under the North Carolina Act, N.C. Gen. Stat.§ 75-16.

73. COUNT 73 BREACH OF EXPRESS WARRANTY N.C. GEN. STAT. §§ 25-2-313 AND 252A-210

- 2296. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2297. North Carolina Plaintiff brings this cause of action on his own behalf and on behalf of the members of the North Carolina Sub-Class.
- 2298. GM is and was at all relevant times a "merchant" with respect to motor vehicles under N.C. Gen. Stat. § 25-2-104(1) and a "seller" of motor vehicles under § 25-2-103(1)(d).
- 2299. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under N.C. Gen. Stat.§ 25-2A-103(1)(p).
- 2300. The Class Vehicles are and were at all relevant times "goods" within the meaning of N.C. Gen. Stat. § 25-2-105(1) and N.C.G.S.A. § 25-2A-103(1)(h).
- 2301. GM provided all purchasers and lessees of the Class Vehicles with the express warranty described herein, which became a material part of the bargain.
- 2302. GM provided all purchasers and lessees of Cadillac-branded Class Vehicles with the Cadillac Warranty and all purchasers and lessees of Chevrolet or GM-branded Class Vehicles with the Chevrolet/GM Warranty.
- 2303. Under the Warranties, GM expressly warranted the following: "The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Accordingly, the warranty covered all defects except for "slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Because the Transmission Defect does not fall into any of the above excluded categories, it is covered under GM's express warranty. GM agreed to provide such repairs

"including towing, parts, and labor . . . at no charge" for up to 3 years or 36,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles and for up to 4 years or 50,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Bumper-to-Bumper Limited Warranties").

2304. Furthermore, under the Powertrain Component of the Warranties, GMC expressly warranted that the powertrain components listed therein, including the transmission and "all internally lubricated parts, case, torque converter, mounts, seals, and gaskets as well as any electrical components internal to the transmission/transaxle" and "any actuators directly connected to the transmission (slave cylinder, etc.)" are covered under the Warranties for up to 5 years or 60,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles, and for up to 6 years or 70,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Powertrain Warranties").

2305. GM manufactured and/or installed the 8L90 and 8L45 transmissions and the transmissions' component parts in the Class Vehicles, and the 8L90 and 8L45 transmissions and their component parts are covered by the express Warranties.

2306. The Transmission Defect at issue in this litigation was present at the time the Class Vehicles were sold or leased to North Carolina Plaintiff and the North Carolina Sub-Class Members.

2307. Plaintiffs relied on GM's express warranties, which were a material part of the bargain, when purchasing or leasing their Class Vehicles.

2308. Under the express Warranties, GM was obligated to correct the Transmission Defect in the vehicles owned or leased by North Carolina Plaintiff and the North Carolina Sub-Class Members.

- 2309. Although GM was obligated to correct the Transmission Defect, none of the attempted fixes to the transmissions are adequate under the terms of the Warranties, as they did not cure the defect.
- 2310. GM breached the express Warranties by performing illusory repairs. Rather than repairing the vehicles pursuant to the express Warranties, GM falsely informed North Carolina Sub-Class Members that there was no problem with their Class Vehicles, performed ineffective procedures including software updates, and/or replaced defective components in the 8L90 and 8L45 transmissions with equally defective components, without actually repairing the Class Vehicles.
- 2311. GM and its agent dealers have failed and refused to conform the 8L90 and 8L45 transmissions to the express Warranties. GM's conduct, as discussed throughout this Complaint, has voided any attempt on its part to disclaim liability for its actions.
- 2312. Moreover, GM's attempt to disclaim or limit these express Warranties vis-à-vis consumers is unconscionable and unenforceable under the circumstances here. Specifically, GM's warranty limitation is unenforceable because it knowingly sold a defective product without informing consumers about the defect.
- 2313. The time limits contained in GM's warranty period were also unconscionable and inadequate to protect North Carolina Plaintiff and the North Carolina Sub-Class Members. Among other things, North Carolina Plaintiff and the North Carolina Sub-Class Members had no meaningful choice in determining these time limitations, the terms of which unreasonably favored GM. A gross disparity in bargaining power existed between GM and the Class members, and GM knew or should have known that the Class Vehicles were defective at the time of sale.
- 2314. North Carolina Plaintiff and the North Carolina Sub-Class Members have complied with all obligations under the Warranties, or otherwise have been

excused from performance of said obligations as a result of GM's conduct described herein.

- 2315. North Carolina Plaintiff and the North Carolina Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal and external sources.
- 2316. Because GM, through its conduct and exemplified by its own service bulletins, has covered repairs of the Transmission Defect if GM determines the repairs are appropriately covered under the Warranties, GM cannot now deny that the Warranties cover the Transmission Defect.
- 2317. Because GM has not been able to remedy the Transmission Defect, any limitation on remedies included in the Warranties causes the Warranties to fail their essential purposes, rendering them null and void.
- 2318. As a direct and proximate cause of GM's breach, North Carolina Plaintiff and the North Carolina Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, North Carolina Plaintiff and the North Carolina Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.
- 2319. As a direct and proximate result of GM's breach of express warranties, North Carolina Plaintiff and the North Carolina Sub-Class Members have been damaged in an amount to be determined at trial.

74. COUNT 74 BREACH OF THE IMPLIED WARRANTY OF MERCHANTABILITY N.C. GEN. STAT. §§ 25-2-314 AND 252A-212

- 2320. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2321. North Carolina Plaintiff brings this cause of action on his own behalf and on behalf of the members of the North Carolina Sub-Class.
- 2322. GM is and was at all relevant times a "merchant" with respect to motor vehicles under N.C. Gen. Stat. § 25-2-104(1) and a "seller" of motor vehicles under § 25-2-103(1)(d).
- 2323. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under N.C. Gen. Stat. § 25-2A-103(1)(p).
- 2324. The Class Vehicles are and were at all relevant times "goods" within the meaning of N.C. Gen. Stat. § 25-2-105(1) and § 25-2A-103(1)(h).
- 2325. A warranty that the Class Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used is implied by law under N.C. Gen. Stat. §§ 25-2-314 and 252A-212.
- 2326. GM knew or had reason to know of the specific use for which the Class Vehicles were purchased or leased. GM directly sold and marketed vehicles equipped with the 8L90 and 8L45 transmissions to customers through authorized dealers, like those from whom North Carolina Plaintiff and the North Carolina Sub-Class Members bought or leased their vehicles, for the intended purpose of consumers purchasing the vehicles. GM knew that the Class Vehicles would and did pass unchanged from the authorized dealers to North Carolina Plaintiff and the North Carolina Sub-Class Members, with no modification to the defective transmissions.

- 2327. GM provided Plaintiffs and Class Members with an implied warranty that the Class Vehicles and their components and parts are merchantable and fit for the ordinary purposes for which they were sold.
- 2328. This implied warranty included, among other things: (i) a warranty that the Class Vehicles and their transmissions that were manufactured, supplied, distributed, and/or sold by GM were safe and reliable for providing transportation; and (ii) a warranty that the Class Vehicles and their transmissions would be fit for their intended use while the Class Vehicles were being operated.
- 2329. Contrary to the applicable implied warranties, the Class Vehicles and their transmissions at the time of sale and thereafter were not fit for their ordinary and intended purpose of providing Plaintiffs and Class Members with reliable, durable, and safe transportation. Instead, the Class Vehicles are defective, including, but not limited to, the defective design or manufacture of their transmissions and the existence of the Transmission Defect at the time of sale or lease and thereafter. GM knew of this defect at the time these sale or lease transactions occurred.
- 2330. As a result of GM's breach of the applicable implied warranties, North Carolina Plaintiff and the North Carolina Sub-Class Members of the Class Vehicles suffered an ascertainable loss of money, property, and/or value of their Class Vehicles. Additionally, as a result of the Transmission Defect, North Carolina Plaintiff and the North Carolina Sub-Class Members were harmed and suffered actual damages in that the Class Vehicles' transmission components are substantially certain to fail before their expected useful life has run.
- 2331. GM's actions, as complained of herein, breached the implied warranty that the Class Vehicles were of merchantable quality and fit for such use in violation of N.C. Gen. Stat. §§ 25-2-314 and 252A-212.
- 2332. North Carolina Plaintiff and the North Carolina Sub-Class Members have complied with all obligations under the warranty, or otherwise have been

excused from performance of said obligations as a result of GM's conduct described herein.

- 2333. North Carolina Plaintiff and the North Carolina Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal sources.
- 2334. As a direct and proximate cause of GM's breach, North Carolina Plaintiff and the North Carolina Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, North Carolina Plaintiff and the North Carolina Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.
- 2335. As a direct and proximate result of GM's breach of the implied warranty of merchantability, North Carolina Plaintiff and the North Carolina Sub-Class Members have been damaged in an amount to be proven at trial.

X. Claims on Behalf of the Ohio Sub-Class

75. COUNT 75 VIOLATION OF THE OHIO CONSUMER SALES PRACTICES ACT OHIO REV. CODE ANN. § 1345.01, ET SEQ.

- 2336. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2337. Plaintiffs Chi Kim Ho and Jeffrey Rice ("Ohio Plaintiffs") bring this cause of action on their own behalf and on behalf of the members of the Ohio Sub-Class.

- 2338. Ohio Plaintiffs and the Ohio Sub-Class Members are "consumers" as defined by the Ohio Consumer Sales Practices Act, Ohio Rev. Code Ann. § 1345.01 ("Ohio CSPA").
 - 2339. GM is a "supplier" as defined by the Ohio CSPA.
- 2340. Ohio Plaintiffs' and the Ohio Sub-Class Members' purchases or leases of Class Vehicles were "consumer transactions" as defined by the Ohio CSPA.
- 2341. The Ohio CSPA, Ohio Rev. Code Ann. § 1345.02, broadly prohibits "an unconscionable act or practice in connection with a consumer transaction." Specifically, and without limitation of the broad prohibition, the Act prohibits suppliers from representing "(1) That the subject of a consumer transaction has sponsorship, approval, performance characteristics, accessories, uses, or benefits that it does not have; [and] (2) That the subject of a consumer transaction is of a particular standard, quality, grade, style, prescription, or model, if it is not." Ohio Rev. Code Ann. § 1345.02. Defendant's conduct as alleged above and below constitutes unfair and unconscionable acts or practices in consumer sales transactions in violation of Ohio Rev. Code Ann. § 1345.02. By concealing the known defects in the Class Vehicles, GM participated in unconscionable acts and practices that violated the Ohio CSPA.
- 2342. GM participated in misleading, false, or deceptive acts that violated the Ohio CSPA as described below and alleged throughout the Complaint. By failing to disclose the Transmission Defect, by concealing the Transmission Defect, by marketing its vehicles as safe, reliable, easily operable, efficient, and of high quality, and by presenting itself as a reputable manufacturer that valued safety, cleanliness, performance and efficiency, and stood behind its vehicles after they were sold, GM knowingly and intentionally misrepresented and omitted material facts in connection with the sale or lease of the Class Vehicles. GM systematically misrepresented, concealed, suppressed, or omitted material facts relating to the Class Vehicles and

Transmission Defect in the course of its business.

- 2343. GM also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale of the Class Vehicles.
- 2344. GM's unfair and deceptive acts or practices occurred repeatedly in GM's trade or business, were capable of deceiving a substantial portion of the purchasing public, and imposed a serious safety risk on the public.
- 2345. GM knew that the Class Vehicles and their transmissions suffered from an inherent defect, were defectively designed or manufactured, and were not suitable for their intended use.
- 2346. GM knew or should have known that its conduct violated the Ohio CSPA.
- 2347. Ohio Plaintiffs and the Ohio Sub-Class Members reasonably relied on GM's misrepresentations and omissions of material facts in its advertisements of the Class Vehicles and in the purchase of the Class Vehicles.
- 2348. Had Ohio Plaintiffs and the Ohio Sub-Class Members known that the Class Vehicles would exhibit the Transmission Defect, they would not have purchased or leased the Class Vehicles, or would have paid less for them. Plaintiffs did not receive the benefit of their bargain as a result of GM's misconduct.
- 2349. GM owed Ohio Plaintiffs and the Ohio Sub-Class Members a duty to disclose the truth about the Transmission Defect because GM: (a) possessed exclusive knowledge of the Class Vehicles and the Transmission Defect; (b) intentionally concealed the foregoing from Ohio Plaintiffs and the Ohio Sub-Class Members; and/or (c) made incomplete representations regarding the quality and durability of the Class Vehicles, while purposefully withholding material facts from

Ohio Plaintiffs and the Ohio Sub-Class Members that contradicted these representations.

2350. Due to GM's specific and superior knowledge that the transmissions in the Class Vehicles will fail due to the Transmission Defect, its false representations regarding the increased durability of the Class Vehicles, and reliance by Ohio Plaintiff and the Ohio Sub-Class Members on these material representations, GM had a duty to disclose to Class members that the 8L90 and 8L45 transmissions will cause failure in Class Vehicles, that Class Vehicles do not have the expected durability, reliability, and/or safety over other vehicles or of their predecessor transmissions, that failure of the 8L90 and 8L45 transmissions will cause damage to Class Vehicle engines and engine systems, and that Class members would be required to bear the cost of the damage to their vehicles. Having volunteered to provide information to Ohio Plaintiffs and the Ohio Sub-Class Members, GM had the duty to disclose not just the partial truth, but the entire truth. These omitted and concealed facts were material because they directly impact the value of the Class Vehicles purchased or leased by Ohio Plaintiffs and the Ohio Sub-Class Members. Longevity, durability, performance, and safety are material concerns to GM truck consumers. GM represented to Ohio Plaintiff and the Ohio Sub-Class Members that they were purchasing or leasing vehicles that were durable, reliable, safe, efficient, of high quality, and containing transmissions of advanced and superior characteristics and technology as alleged throughout this Complaint, when in fact it is only a matter of time before the transmissions fail due to the Transmission Defect.

2351. Ohio Plaintiffs and the Ohio Sub-Class Members suffered injury in fact to a legally protected interest. As a result of GM's conduct, Ohio Plaintiffs and the Ohio Sub-Class Members were harmed and suffered actual damages in the form of the diminished value of their vehicles.

2352. As a result of GM's conduct, Ohio Plaintiffs and the Ohio Sub-Class

Members were harmed and suffered actual damages as a result of GM's misrepresentations and omissions with regard to their Class Vehicles' transmissions because they purchased vehicles which do not perform as advertised.

- 2353. As a direct and proximate result of GM's unfair or deceptive acts or practices, Ohio Plaintiffs and the Ohio Sub-Class Members suffered and will continue to suffer injury in fact and/or actual damages.
- 2354. Defendant's violations present a continuing risk to Ohio Plaintiffs and the Ohio Sub-Class Members as well as to the general public. Defendant's unlawful acts and practices complained of herein affect the public interest.
- 2355. Plaintiffs seek actual damages, plus an amount not exceeding \$5,000 in noneconomic damages, an order enjoining GM's deceptive and unfair conduct, court costs and attorneys' fees as a result of Defendant's violations of the Ohio CSPA as provided in Ohio Rev. Code Ann. § 1345.09.

76. COUNT 76 BREACH OF EXPRESS WARRANTY OHIO REV. CODE ANN. § 1302.26, *ET SEQ*.

- 2356. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2357. Ohio Plaintiffs bring this cause of action on their own behalf and on behalf of the members of the Ohio Sub-Class.
- 2358. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Ohio Rev. Code Ann. §§ 1302.01(5) and 1310.01(A)(20), and a "seller" of motor vehicles under § 1302.01(4).
- 2359. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Ohio Rev. Code Ann. § 1310.01(A)(20).
- 2360. The Class Vehicles are and were at all relevant times "goods" within the meaning of Ohio Rev. Code Ann. §§ 1302.01(8) and 1310.01(A)(8).

- 2361. GM provided all purchasers and lessees of the Class Vehicles with the express warranty described herein, which became a material part of the bargain.
- 2362. GM provided all purchasers and lessees of Cadillac-branded Class Vehicles with the Cadillac Warranty and all purchasers and lessees of Chevrolet or GM-branded Class Vehicles with the Chevrolet/GM Warranty.
- 2363. Under the Warranties, GM expressly warranted the following: "The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Accordingly, the warranty covered all defects except for "slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Because the Transmission Defect does not fall into any of the above excluded categories, it is covered under GM's express warranty. GM agreed to provide such repairs "including towing, parts, and labor . . . at no charge" for up to 3 years or 36,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles and for up to 4 years or 50,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Bumper-to-Bumper Limited Warranties").
- 2364. Furthermore, under the Powertrain Component of the Warranties, GMC expressly warranted that the powertrain components listed therein, including the transmission and "all internally lubricated parts, case, torque converter, mounts, seals, and gaskets as well as any electrical components internal to the transmission/transaxle" and "any actuators directly connected to the transmission (slave cylinder, etc.)" are covered under the Warranties for up to 5 years or 60,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles, and for up to 6 years or 70,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Powertrain Warranties").

- 2365. GM manufactured and/or installed the 8L90 and 8L45 transmissions and the transmissions' component parts in the Class Vehicles, and the 8L90 and 8L45 transmissions and their component parts are covered by the express Warranties.
- 2366. The Transmission Defect at issue in this litigation was present at the time the Class Vehicles were sold or leased to Ohio Plaintiff and the Ohio Sub-Class Members.
- 2367. Plaintiffs relied on GM's express warranties, which were a material part of the bargain, when purchasing or leasing their Class Vehicles.
- 2368. Under the express Warranties, GM was obligated to correct the Transmission Defect in the vehicles owned or leased by Ohio Plaintiffs and the Ohio Sub-Class Members.
- 2369. Although GM was obligated to correct the Transmission Defect, none of the attempted fixes to the transmissions are adequate under the terms of the Warranties, as they did not cure the defect.
- 2370. GM breached the express Warranties by performing illusory repairs. Rather than repairing the vehicles pursuant to the express Warranties, GM falsely informed Ohio Sub-Class Members that there was no problem with their Class Vehicles, performed ineffective procedures including software updates, and/or replaced defective components in the 8L90 and 8L45 transmissions with equally defective components, without actually repairing the Class Vehicles.
- 2371. GM and its agent dealers have failed and refused to conform the 8L90 and 8L45 transmissions to the express Warranties. GM's conduct, as discussed throughout this Complaint, has voided any attempt on its part to disclaim liability for its actions.
- 2372. Moreover, GM's attempt to disclaim or limit these express Warranties vis-à-vis consumers is unconscionable and unenforceable under the circumstances

here. Specifically, GM's warranty limitation is unenforceable because it knowingly sold a defective product without informing consumers about the defect.

2373. The time limits contained in GM's warranty period were also unconscionable and inadequate to protect Ohio Plaintiff and the Ohio Sub-Class Members. Among other things, Ohio Plaintiffs and the Ohio Sub-Class Members had no meaningful choice in determining these time limitations, the terms of which unreasonably favored GM. A gross disparity in bargaining power existed between GM and the Class members, and GM knew or should have known that the Class Vehicles were defective at the time of sale.

2374. Ohio Plaintiffs and the Ohio Sub-Class Members have complied with all obligations under the Warranties, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

2375. Ohio Plaintiffs and the Ohio Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal and external sources.

2376. Because GM, through its conduct and exemplified by its own service bulletins, has covered repairs of the Transmission Defect if GM determines the repairs are appropriately covered under the Warranties, GM cannot now deny that the Warranties cover the Transmission Defect.

2377. Because GM has not been able to remedy the Transmission Defect, any limitation on remedies included in the Warranties causes the Warranties to fail their essential purposes, rendering them null and void.

- 2378. As a direct and proximate cause of GM's breach, Ohio Plaintiffs and the Ohio Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Ohio Plaintiffs and the Ohio Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.
- 2379. As a direct and proximate result of GM's breach of express warranties, Ohio Plaintiffs and the Ohio Sub-Class Members have been damaged in an amount to be determined at trial.

77. COUNT 77 BREACH OF THE IMPLIED WARRANTY OF MERCHANTABILITY OHIO REV. CODE ANN. §§ 1302.27 AND 1310.19.

- 2380. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2381. Ohio Plaintiffs bring this cause of action on their own behalf and on behalf of the members of the Ohio Sub-Class.
- 2382. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Ohio Rev. Code Ann. §§ 1302.01(5) and 1310.01(A)(20), and a "seller" of motor vehicles under § 1302.01(4).
- 2383. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Ohio Rev. Code Ann. § 1310.01(A)(20).
- 2384. The Class Vehicles are and were at all relevant times "goods" within the meaning of Ohio Rev. Code Ann. §§ 1302.01(8) and 1310.01(A)(8).
- 2385. A warranty that the Class Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used is implied by law under Ohio Rev. Code Ann. §§ 1302.27 and 1310.19.

2386. GM knew or had reason to know of the specific use for which the Class Vehicles were purchased or leased. GM directly sold and marketed vehicles equipped with the 8L90 and 8L45 transmissions to customers through authorized dealers, like those from whom Ohio Plaintiffs and the Ohio Sub-Class Members bought or leased their vehicles, for the intended purpose of consumers purchasing the vehicles. GM knew that the Class Vehicles would and did pass unchanged from the authorized dealers to Ohio Plaintiffs and the Ohio Sub-Class Members, with no modification to the defective transmissions.

2387. GM provided Plaintiffs and Class Members with an implied warranty that the Class Vehicles and their components and parts are merchantable and fit for the ordinary purposes for which they were sold.

2388. This implied warranty included, among other things: (i) a warranty that the Class Vehicles and their transmissions that were manufactured, supplied, distributed, and/or sold by GM were safe and reliable for providing transportation; and (ii) a warranty that the Class Vehicles and their transmissions would be fit for their intended use while the Class Vehicles were being operated.

2389. Contrary to the applicable implied warranties, the Class Vehicles and their transmissions at the time of sale and thereafter were not fit for their ordinary and intended purpose of providing Plaintiffs and Class Members with reliable, durable, and safe transportation. Instead, the Class Vehicles are defective, including, but not limited to, the defective design or manufacture of their transmissions and the existence of the Transmission Defect at the time of sale or lease and thereafter. GM knew of this defect at the time these sale or lease transactions occurred.

2390. As a result of GM's breach of the applicable implied warranties, Ohio Plaintiff and the Ohio Sub-Class Members of the Class Vehicles suffered an ascertainable loss of money, property, and/or value of their Class Vehicles. Additionally, as a result of the Transmission Defect, Ohio Plaintiff and the Ohio

Sub-Class Members were harmed and suffered actual damages in that the Class Vehicles' transmission components are substantially certain to fail before their expected useful life has run.

- 2391. GM's actions, as complained of herein, breached the implied warranty that the Class Vehicles were of merchantable quality and fit for such use in violation of Ohio Rev. Code Ann. §§ 1302.27 and 1310.19.
- 2392. Ohio Plaintiffs and the Ohio Sub-Class Members have complied with all obligations under the warranty, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.
- 2393. Ohio Plaintiffs and the Ohio Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal sources.
- 2394. As a direct and proximate cause of GM's breach, Ohio Plaintiffs and the Ohio Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Ohio Plaintiffs and the Ohio Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.
- 2395. As a direct and proximate result of GM's breach of the implied warranty of merchantability, Ohio Plaintiffs and the Ohio Sub-Class Members have been damaged in an amount to be proven at trial.

Y. Claims on Behalf of the Oklahoma Class

78. COUNT 78 VIOLATION OF THE OKLAHOMA CONSUMER PROTECTION ACT OKLA. STAT. TIT. 15, § 751, ET SEQ.

- 2396. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2397. Plaintiff Jon Ellard ("Oklahoma Plaintiff") bring this cause of action on their own behalf and on behalf of the members of the Oklahoma Sub-Class.
- 2398. Oklahoma Plaintiffs and the Oklahoma Sub-Class Members are "persons" within the meaning of the Oklahoma Consumer Protection Act ("Oklahoma CPA"), Okla. Stat. tit. 15, § 752.
- 2399. Defendant is a "person," "corporation," or "association" within the meaning of Okla. Stat. tit. 15, § 15-751(1).
- 2400. The sale or lease of the Class Vehicles to Oklahoma Plaintiffs and the Oklahoma Sub-Class members was a "consumer transaction" within the meaning of Okla. Stat. tit. 15, § 752, and GM's actions as set forth herein occurred in the conduct of trade or commerce.
- 2401. The Oklahoma CPA declares unlawful, inter alia, the following acts or practices when committed in the course of business: (1) "mak[ing] a false or misleading representation, knowingly or with reason to know, as to the characteristics, . . . uses, [or] benefits, of the subject of a consumer transaction;" (2) making a false representation, "knowingly or with reason to know, that the subject of a consumer transaction is of a particular standard, style or model, if it is of another;" (3) "[a]dvertis[ing], knowingly or with reason to know, the subject of a consumer transaction with intent not to sell it as advertised;" and (4) otherwise committing "an unfair or deceptive trade practice." Okla. Stat. tit. 15, § 753. GM participated in misleading, false, or deceptive acts that violated the Oklahoma CPA.
 - 2402. GM participated in unfair or deceptive trade practices that violated the

Oklahoma CPA as described below and alleged throughout the Complaint. By failing to disclose the Transmission Defect, by concealing the Transmission Defect, by marketing its vehicles as safe, reliable, easily operable, efficient, and of high quality, and by presenting itself as a reputable manufacturer that valued safety, cleanliness, performance and efficiency, and stood behind its vehicles after they were sold, GM knowingly and intentionally misrepresented and omitted material facts in connection with the sale or lease of the Class Vehicles. GM systematically misrepresented, concealed, suppressed, or omitted material facts relating to the Class Vehicles and Transmission Defect in the course of its business.

2403. GM also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale of the Class Vehicles.

2404. GM's unfair and deceptive acts or practices occurred repeatedly in GM's trade or business, were capable of deceiving a substantial portion of the purchasing public, and imposed a serious safety risk on the public.

2405. GM knew that the Class Vehicles and their transmissions suffered from an inherent defect, were defectively designed or manufactured, and were not suitable for their intended use.

2406. GM knew or should have known that its conduct violated the Oklahoma CPA.

2407. Oklahoma Plaintiffs and the Oklahoma Sub-Class Members reasonably relied on GM's misrepresentations and omissions of material facts in its advertisements of the Class Vehicles and in the purchase of the Class Vehicles.

2408. Had Oklahoma Plaintiffs and the Oklahoma Sub-Class Members known that the Class Vehicles would exhibit the Transmission Defect, they would not have purchased or leased the Class Vehicles, or would have paid less for them.

Plaintiffs did not receive the benefit of their bargain as a result of GM's misconduct.

2409. GM owed Oklahoma Plaintiffs and the Oklahoma Sub-Class Members a duty to disclose the truth about the Transmission Defect because GM: (a) possessed exclusive knowledge of the Class Vehicles and the Transmission Defect; (b) intentionally concealed the foregoing from Oklahoma Plaintiffs and the Oklahoma Sub-Class Members; and/or (c) made incomplete representations regarding the quality and durability of the Class Vehicles, while purposefully withholding material facts from Oklahoma Plaintiffs and the Oklahoma Sub-Class Members that contradicted these representations.

2410. Due to GM's specific and superior knowledge that the transmissions in the Class Vehicles will fail due to the Transmission Defect, its false representations regarding the increased durability of the Class Vehicles, and reliance by Oklahoma Plaintiffs and the Oklahoma Sub-Class Members on these material representations, GM had a duty to disclose to Class members that the 8L90 and 8L45 transmissions will cause failure in Class Vehicles, that Class Vehicles do not have the expected durability, reliability, and/or safety over other vehicles or of their predecessor transmissions, that failure of the 8L90 and 8L45 transmissions will cause damage to Class Vehicle engines and engine systems, and that Class members would be required to bear the cost of the damage to their vehicles. Having volunteered to provide information to Oklahoma Plaintiffs and the Oklahoma Sub-Class Members, GM had the duty to disclose not just the partial truth, but the entire truth. These omitted and concealed facts were material because they directly impact the value of the Class Vehicles purchased or leased by Oklahoma Plaintiffs and the Oklahoma Sub-Class Members. Longevity, durability, performance, and safety are material concerns to GM truck consumers. GM represented to Oklahoma Plaintiffs and the Oklahoma Sub-Class Members that they were purchasing or leasing vehicles that were durable, reliable, safe, efficient, of high quality, and containing transmissions

of advanced and superior characteristics and technology as alleged throughout this Complaint, when in fact it is only a matter of time before the transmissions fail due to the Transmission Defect.

- 2411. Oklahoma Plaintiffs and the Oklahoma Sub-Class Members suffered injury in fact to a legally protected interest. As a result of GM's conduct, Oklahoma Plaintiffs and the Oklahoma Sub-Class Members were harmed and suffered actual damages in the form of the diminished value of their vehicles.
- 2412. As a result of GM's conduct, Oklahoma Plaintiffs and the Oklahoma Sub-Class Members were harmed and suffered actual damages as a result of GM's misrepresentations and omissions with regard to their Class Vehicles' transmissions because they purchased vehicles which do not perform as advertised.
- 2413. As a direct and proximate result of GM's unfair or deceptive acts or practices, Oklahoma Plaintiffs and the Oklahoma Sub-Class Members suffered and will continue to suffer injury in fact and/or actual damages.
- 2414. GM's violations present a continuing risk to Oklahoma Plaintiffs and the Oklahoma Sub-Class Members as well as to the general public. GM's unlawful acts and practices complained of herein affect the public interest. Specifically: (1) the number of consumers affected by GM's deceptive practices are in the hundreds of thousands nation-wide; (2) GM has significantly high sophistication and bargaining power with respect to the manufacture and sale of the Class Vehicles to Plaintiffs and individual Class members; and (3) so long as the Class Vehicles continue to be sold and distributed with the defective transmissions, the likelihood of continued impact on other consumers is significant.
- 2415. Because GM's unconscionable conduct caused injury to Oklahoma Plaintiffs and the Oklahoma Sub-Class Members, Oklahoma Plaintiffs and the Oklahoma Sub-Class Members seek recovery of actual damages, discretionary penalties up to \$2,000 per violation, punitive damages, and reasonable attorneys'

fees, under Okla. Stat. tit. 15, § 761.1. Oklahoma Plaintiffs and the Oklahoma Sub-Class Members further seek an order enjoining GM's unfair and/or deceptive acts or practices, and any other just and proper relief available under the Oklahoma CPA.

79. COUNT 79 BREACH OF EXPRESS WARRANTY OKLA. STAT. TIT. 12A §§ 2-313 AND 2A-210

- 2416. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2417. Oklahoma Plaintiffs bring this cause of action on his own behalf and on behalf of the members of the Oklahoma Sub-Class.
- 2418. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Okla. Stat. tit. 12A §§ 2-104(1) and 2-1103(3), and a "seller" of motor vehicles under § 2A-103(1)(t).
- 2419. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Okla. Stat. tit. 12A § 2A-103(1)(p).
- 2420. The Class Vehicles are and were at all relevant times "goods" within the meaning of Okla. Stat. tit. 12A §§ 2-105(1) and 2A-103(1)(h).
- 2421. GM provided all purchasers and lessees of the Class Vehicles with the express warranty described herein, which became a material part of the bargain.
- 2422. GM provided all purchasers and lessees of Cadillac-branded Class Vehicles with the Cadillac Warranty and all purchasers and lessees of Chevrolet or GM-branded Class Vehicles with the Chevrolet/GM Warranty.
- 2423. Under the Warranties, GM expressly warranted the following: "The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Accordingly, the warranty covered all defects except for "slight noise, vibrations, or other normal characteristics of the vehicle due

to materials or workmanship occurring during the warranty period." Because the Transmission Defect does not fall into any of the above excluded categories, it is covered under GM's express warranty. GM agreed to provide such repairs "including towing, parts, and labor . . . at no charge" for up to 3 years or 36,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles and for up to 4 years or 50,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Bumper-to-Bumper Limited Warranties").

- 2424. Furthermore, under the Powertrain Component of the Warranties, GMC expressly warranted that the powertrain components listed therein, including the transmission and "all internally lubricated parts, case, torque converter, mounts, seals, and gaskets as well as any electrical components internal to the transmission/transaxle" and "any actuators directly connected to the transmission (slave cylinder, etc.)" are covered under the Warranties for up to 5 years or 60,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles, and for up to 6 years or 70,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Powertrain Warranties").
- 2425. GM manufactured and/or installed the 8L90 and 8L45 transmissions and the transmissions' component parts in the Class Vehicles, and the 8L90 and 8L45 transmissions and their component parts are covered by the express Warranties.
- 2426. The Transmission Defect at issue in this litigation was present at the time the Class Vehicles were sold or leased to Oklahoma Plaintiffs and the Oklahoma Sub-Class Members.
- 2427. Plaintiffs relied on GM's express warranties, which were a material part of the bargain, when purchasing or leasing their Class Vehicles.
- 2428. Under the express Warranties, GM was obligated to correct the Transmission Defect in the vehicles owned or leased by Oklahoma Plaintiffs and the

Oklahoma Sub-Class Members.

2429. Although GM was obligated to correct the Transmission Defect, none of the attempted fixes to the transmissions are adequate under the terms of the Warranties, as they did not cure the defect.

2430. GM breached the express Warranties by performing illusory repairs. Rather than repairing the vehicles pursuant to the express Warranties, GM falsely informed Oklahoma Sub-Class Members that there was no problem with their Class Vehicles, performed ineffective procedures including software updates, and/or replaced defective components in the 8L90 and 8L45 transmissions with equally defective components, without actually repairing the Class Vehicles.

- 2431. GM and its agent dealers have failed and refused to conform the 8L90 and 8L45 transmissions to the express Warranties. GM's conduct, as discussed throughout this Complaint, has voided any attempt on its part to disclaim liability for its actions.
- 2432. Moreover, GM's attempt to disclaim or limit these express Warranties vis-à-vis consumers is unconscionable and unenforceable under the circumstances here. Specifically, GM's warranty limitation is unenforceable because it knowingly sold a defective product without informing consumers about the defect.
- 2433. The time limits contained in GM's warranty period were also unconscionable and inadequate to protect Oklahoma Plaintiffs and the Oklahoma Sub-Class Members. Among other things, Oklahoma Plaintiffs and the Oklahoma Sub-Class Members had no meaningful choice in determining these time limitations, the terms of which unreasonably favored GM. A gross disparity in bargaining power existed between GM and the Class members, and GM knew or should have known that the Class Vehicles were defective at the time of sale.
- 2434. Oklahoma Plaintiffs and the Oklahoma Sub-Class Members have complied with all obligations under the Warranties, or otherwise have been excused

from performance of said obligations as a result of GM's conduct described herein.

2435. Oklahoma Plaintiffs and the Oklahoma Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal and external sources.

2436. Because GM, through its conduct and exemplified by its own service bulletins, has covered repairs of the Transmission Defect if GM determines the repairs are appropriately covered under the Warranties, GM cannot now deny that the Warranties cover the Transmission Defect.

2437. Because GM has not been able to remedy the Transmission Defect, any limitation on remedies included in the Warranties causes the Warranties to fail their essential purposes, rendering them null and void.

2438. As a direct and proximate cause of GM's breach, Oklahoma Plaintiffs and the Oklahoma Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Oklahoma Plaintiffs and the Oklahoma Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.

2439. As a direct and proximate result of GM's breach of express warranties, Oklahoma Plaintiffs and the Oklahoma Sub-Class Members have been damaged in an amount to be determined at trial

80. COUNT 80 BREACH OF THE IMPLIED WARRANTY OF MERCHANTABILITY OKLA. STAT. TIT. 12A §§ 2-314 AND 2A-212

- 2440. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2441. Oklahoma Plaintiffs bring this cause of action on his own behalf and on behalf of the members of the Oklahoma Sub-Class.
- 2442. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Okla. Stat. tit. 12A §§ 2-104(1) and 2-1103(3), and a "seller" of motor vehicles under § 2A-103(1)(t).
- 2443. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Okla. Stat. tit. 12A § 2A-103(1)(p).
- 2444. The Class Vehicles are and were at all relevant times "goods" within the meaning of Okla. Stat. tit. 12A §§ 2-105(1) and 2A-103(1)(h).
- 2445. A warranty that the Class Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used is implied by law under Okla. Stat. tit. 12A §§ 2-314 and 2A-212.
- 2446. GM knew or had reason to know of the specific use for which the Class Vehicles were purchased or leased. GM directly sold and marketed vehicles equipped with the 8L90 and 8L45 transmissions to customers through authorized dealers, like those from whom Oklahoma Plaintiffs and the Oklahoma Sub-Class Members bought or leased their vehicles, for the intended purpose of consumers purchasing the vehicles. GM knew that the Class Vehicles would and did pass unchanged from the authorized dealers to Oklahoma Plaintiffs and the Oklahoma Sub-Class Members, with no modification to the defective transmissions.
- 2447. GM provided Plaintiffs and Class Members with an implied warranty that the Class Vehicles and their components and parts are merchantable and fit for

the ordinary purposes for which they were sold.

2448. This implied warranty included, among other things: (i) a warranty that the Class Vehicles and their transmissions that were manufactured, supplied, distributed, and/or sold by GM were safe and reliable for providing transportation; and (ii) a warranty that the Class Vehicles and their transmissions would be fit for their intended use while the Class Vehicles were being operated.

2449. Contrary to the applicable implied warranties, the Class Vehicles and their transmissions at the time of sale and thereafter were not fit for their ordinary and intended purpose of providing Plaintiffs and Class Members with reliable, durable, and safe transportation. Instead, the Class Vehicles are defective, including, but not limited to, the defective design or manufacture of their transmissions and the existence of the Transmission Defect at the time of sale or lease and thereafter. GM knew of this defect at the time these sale or lease transactions occurred.

2450. As a result of GM's breach of the applicable implied warranties, Oklahoma Plaintiffs and the Oklahoma Sub-Class Members of the Class Vehicles suffered an ascertainable loss of money, property, and/or value of their Class Vehicles. Additionally, as a result of the Transmission Defect, Oklahoma Plaintiffs and the Oklahoma Sub-Class Members were harmed and suffered actual damages in that the Class Vehicles' transmission components are substantially certain to fail before their expected useful life has run.

- 2451. GM's actions, as complained of herein, breached the implied warranty that the Class Vehicles were of merchantable quality and fit for such use in violation of Okla. Stat. tit. 12A §§ 2-314 and 2A-212.
- 2452. Oklahoma Plaintiffs and the Oklahoma Sub-Class Members have complied with all obligations under the warranty, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.
 - 2453. Oklahoma Plaintiffs and the Oklahoma Sub-Class Members were not

required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal sources.

2454. As a direct and proximate cause of GM's breach, Oklahoma Plaintiffs and the Oklahoma Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Oklahoma Plaintiffs and the Oklahoma Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.

2455. As a direct and proximate result of GM's breach of the implied warranty of merchantability, Oklahoma Plaintiffs and the Oklahoma Sub-Class Members have been damaged in an amount to be proven at trial.

Z.Claims on Behalf of the Oregon Sub-Class

81. COUNT 81 VIOLATION OF THE OREGON CONSUMER PROTECTION

OR. REV. STAT. § 646.605, ET SEQ.

- 2456. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2457. Plaintiff Cary Sherrow ("Oregon Plaintiff") brings this cause of action on his own behalf and on behalf of the members of the Oregon Sub-Class.
- 2458. GM, Oregon Plaintiff, and Oregon Sub-Class members are "persons" within the meaning of Or. Rev. Stat. § 646.605(4).
- 2459. GM is engaged in "trade" or "commerce" within the meaning of Or. Rev. Stat. § 646.605(8).

- 2460. The Oregon Unfair Trade Practices Act ("Oregon UTPA") prohibits "unlawful practice . . . in the course of . . . business." Or. Rev. Stat. § Ann. 646.608(1).
- 2461. In the course of its business, GM, through its agents, employees, and/or subsidiaries, violated the Oregon UTPA.
- 2462. GM concealed the fact that Class Vehicles had defective transmissions that made them unsafe to drive and told various GM dealers and service technicians that the vehicles were operating "as [d]esigned" and that the symptoms were "normal" (if widespread enough). These GM dealers and service technicians passed this mis-information onto Class Members, as evidenced by the various consumer complaints alleging that someone—such as a GM "dealer" or "service manager"—told them the defect's symptoms were "normal."
- 2463. GM violated the Oregon CPA by, at minimum, representing that the Class Vehicles have characteristics, uses, benefits, and qualities which they do not have; representing that the Class Vehicles are of a particular standard and quality when they are not; advertising the Class Vehicles with the intent not to sell them as advertised; and omitting material facts in describing the Class Vehicles.
- 2464. GM intentionally and knowingly misrepresented material facts regarding the Class Vehicles with the intent to mislead the Oregon Plaintiff and the Class.
- 2465. GM knew or should have known that its conducted violated the Oregon CPA.
- 2466. GM's fraudulent concealment of the true characteristics of the defective transmissions in the Class Vehicles were material to the Oregon Plaintiff and Class members.
- 2467. GM's violations present a continuing risk to Plaintiffs as well as to the general public. GM's unlawful acts and practices complained of herein affect the

public interest.

- 2468. GM had an ongoing duty to its customers to refrain from unfair and deceptive practices under the Oregon CPA. All owners of Class Vehicles suffered ascertainable loss in the form of the diminished value of their vehicles as a result of GM's deceptive and unfair acts and practices made in the course of GM's business.
- 2469. As a direct and proximate result of GM's violations of the Oregon CPA, the Oregon Plaintiff and the Class have suffered injury-in-fact and/or actual damage.
- 2470. Pursuant to Or. Rev. Stat. § 646.638, Plaintiffs seek an order enjoining Defendants' unfair and/or deceptive acts or practices, and awarding actual damages or statutory damages in the amount of \$200 for each class member, whichever is greater, punitive damages, attorneys' fees and costs, and any other just and proper relief available under the Oregon UTPA.

82. COUNT 82 BREACH OF EXPRESS WARRANTY OR. REV. STAT. §§ 72.3130 AND 72A.2100

- 2471. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2472. Oregon Plaintiff brings this cause of action on his own behalf and on behalf of the members of the Oregon Sub-Class.
- 2473. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Or. Rev. Stat. §§ 72.1040(1) and 72A.1030(1)(t), and a "seller" of motor vehicles under Or. Rev. Stat. § 72.1030(1)(d).
- 2474. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Or. Rev. Stat. § 72A.1030(1)(p).
- 2475. The Class Vehicles are and were at all relevant times "goods" within the meaning of Or. Rev. Stat. §§ 72.1050(1) and 72A.1030(1)(h).
 - 2476. GM provided all purchasers and lessees of the Class Vehicles with the

express warranty described herein, which became a material part of the bargain.

2477. GM provided all purchasers and lessees of Cadillac-branded Class Vehicles with the Cadillac Warranty and all purchasers and lessees of Chevrolet or GM-branded Class Vehicles with the Chevrolet/GM Warranty.

2478. Under the Warranties, GM expressly warranted the following: "The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Accordingly, the warranty covered all defects except for "slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Because the Transmission Defect does not fall into any of the above excluded categories, it is covered under GM's express warranty. GM agreed to provide such repairs "including towing, parts, and labor . . . at no charge" for up to 3 years or 36,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles and for up to 4 years or 50,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Bumper-to-Bumper Limited Warranties").

2479. Furthermore, under the Powertrain Component of the Warranties, GMC expressly warranted that the powertrain components listed therein, including the transmission and "all internally lubricated parts, case, torque converter, mounts, seals, and gaskets as well as any electrical components internal to the transmission/transaxle" and "any actuators directly connected to the transmission (slave cylinder, etc.)" are covered under the Warranties for up to 5 years or 60,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles, and for up to 6 years or 70,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Powertrain Warranties").

2480. GM manufactured and/or installed the 8L90 and 8L45 transmissions and the transmissions' component parts in the Class Vehicles, and the 8L90 and

8L45 transmissions and their component parts are covered by the express Warranties.

- 2481. The Transmission Defect at issue in this litigation was present at the time the Class Vehicles were sold or leased to Oregon Plaintiff and the Oregon Sub-Class Members.
- 2482. Plaintiffs relied on GM's express warranties, which were a material part of the bargain, when purchasing or leasing their Class Vehicles.
- 2483. Under the express Warranties, GM was obligated to correct the Transmission Defect in the vehicles owned or leased by Oregon Plaintiff and the Oregon Sub-Class Members.
- 2484. Although GM was obligated to correct the Transmission Defect, none of the attempted fixes to the transmissions are adequate under the terms of the Warranties, as they did not cure the defect.
- 2485. GM breached the express Warranties by performing illusory repairs. Rather than repairing the vehicles pursuant to the express Warranties, GM falsely informed Oregon Sub-Class Members that there was no problem with their Class Vehicles, performed ineffective procedures including software updates, and/or replaced defective components in the 8L90 and 8L45 transmissions with equally defective components, without actually repairing the Class Vehicles.
- 2486. GM and its agent dealers have failed and refused to conform the 8L90 and 8L45 transmissions to the express Warranties. GM's conduct, as discussed throughout this Complaint, has voided any attempt on its part to disclaim liability for its actions.
- 2487. Moreover, GM's attempt to disclaim or limit these express Warranties vis-à-vis consumers is unconscionable and unenforceable under the circumstances here. Specifically, GM's warranty limitation is unenforceable because it knowingly sold a defective product without informing consumers about the defect.

2488. The time limits contained in GM's warranty period were also unconscionable and inadequate to protect Oregon Plaintiff and the Oregon Sub-Class Members. Among other things, Oregon Plaintiff and the Oregon Sub-Class Members had no meaningful choice in determining these time limitations, the terms of which unreasonably favored GM. A gross disparity in bargaining power existed between GM and the Class members, and GM knew or should have known that the Class Vehicles were defective at the time of sale.

2489. Oregon Plaintiff and the Oregon Sub-Class Members have complied with all obligations under the Warranties, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

2490. Oregon Plaintiff and the Oregon Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal and external sources.

- 2491. Because GM, through its conduct and exemplified by its own service bulletins, has covered repairs of the Transmission Defect if GM determines the repairs are appropriately covered under the Warranties, GM cannot now deny that the Warranties cover the Transmission Defect.
- 2492. Because GM has not been able to remedy the Transmission Defect, any limitation on remedies included in the Warranties causes the Warranties to fail their essential purposes, rendering these limitations null and void.
- 2493. As a direct and proximate cause of GM's breach, Oregon Plaintiff and the Oregon Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of

their Class Vehicles. Additionally, Oregon Plaintiff and the Oregon Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.

2494. As a direct and proximate result of GM's breach of express warranties, Oregon Plaintiff and the Oregon Sub-Class Members have been damaged in an amount to be determined at trial.

83. COUNT 83 BREACH OF THE IMPLIED WARRANTY OF MERCHANTABILITY OR. REV. STAT. §§ 72.3140 AND 72A.2120

- 2495. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2496. Oregon Plaintiff brings this cause of action on his own behalf and on behalf of the members of the Oregon Sub-Class.
- 2497. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Or. Rev. Stat. §§ 72.1040(1) and 72A.1030(1)(t), and a "seller" of motor vehicles under Or. Rev. Stat. § 72.1030(1)(d).
- 2498. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Or. Rev. Stat. § 72A.1030(1)(p).
- 2499. The Class Vehicles are and were at all relevant times "goods" within the meaning of Or. Rev. Stat. §§ 72.1050(1) and 72A.1030(1)(h).
- 2500. A warranty that the Class Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used is implied by law pursuant to Or. Rev. Stat. §§ 72.3140 and 72A-2120.
- 2501. GM sold and/or leased Class Vehicles that were not in merchantable condition and/or fit for their ordinary purpose in violation of the implied warranty.

2502. GM knew or had reason to know of the specific use for which the Class Vehicles were purchased or leased. GM directly sold and marketed vehicles equipped with the 8L90 and 8L45 transmissions to customers through authorized dealers, like those from whom Oregon Plaintiff and the Oregon Sub-Class Members bought or leased their vehicles, for the intended purpose of consumers purchasing the vehicles. GM knew that the Class Vehicles would and did pass unchanged from the authorized dealers to Oregon Plaintiff and the Oregon Sub-Class Members, with no modification to the defective transmissions.

2503. GM provided Plaintiffs and Class Members with an implied warranty that the Class Vehicles and their components and parts are merchantable and fit for the ordinary purposes for which they were sold.

2504. This implied warranty included, among other things: (i) a warranty that the Class Vehicles and their transmissions that were manufactured, supplied, distributed, and/or sold by GM were safe and reliable for providing transportation; and (ii) a warranty that the Class Vehicles and their transmissions would be fit for their intended use while the Class Vehicles were being operated.

2505. Contrary to the applicable implied warranties, the Class Vehicles and their transmissions at the time of sale and thereafter were not fit for their ordinary and intended purpose of providing Plaintiffs and Class Members with reliable, durable, and safe transportation. Instead, the Class Vehicles are defective, including, but not limited to, the defective design or manufacture of their transmissions and the existence of the Transmission Defect at the time of sale or lease and thereafter. GM knew of this defect at the time these sale or lease transactions occurred.

2506. As a result of GM's breach of the applicable implied warranties, Oregon Plaintiff and the Oregon Sub-Class Members suffered an ascertainable loss of money, property, and/or value of their Class Vehicles. Additionally, as a result of the Transmission Defect, Oregon Plaintiff and the Oregon Sub-Class Members were

harmed and suffered actual damages in that the Class Vehicles' transmission components are substantially certain to fail before their expected useful life has run.

2507. GM's actions, as complained of herein, breached the implied warranty that the Class Vehicles were of merchantable quality and fit for such use in violation of Or. Rev. Stat. §§ 72.3140 and 72A-2120.

2508. Oregon Plaintiff and the Oregon Sub-Class Members have complied with all obligations under the warranty, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

2509. Oregon Plaintiff and the Oregon Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal sources.

2510. As a direct and proximate cause of GM's breach, Oregon Plaintiff and the Oregon Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Oregon Plaintiff and the Oregon Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.

2511. As a direct and proximate result of GM's breach of the implied warranty of merchantability, Oregon Plaintiff and the Oregon Sub-Class Members have been damaged in an amount to be proven at trial.

AA. Claims on Behalf of the Pennsylvania Sub-Class

84. COUNT 84 VIOLATION OF THE PENNSYLVANIA UNFAIR TRADE PRACTICES AND CONSUMER PROTECTION LAW 73 P.S. § 201-1, ET SEQ.

- 2512. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2513. Plaintiffs Charles Aiken, Karina Fredo and William Fredo ("Pennsylvania Plaintiffs") bring this cause of action on their own behalf and on behalf of the members of the Pennsylvania Sub-Class.
- 2514. Pennsylvania Plaintiffs and the Pennsylvania Sub-Class Members purchased or leased their Class Vehicles primarily for personal, family or household purposes within the meaning of 73 P.S. § 201-9.2.
- 2515. All of the acts complained of herein were perpetrated by GM in the course of trade or commerce within the meaning of 73 P.S. § 201-2(3).
- 2516. The Pennsylvania Unfair Trade Practices and Consumer Protection Law ("Pennsylvania CPL") prohibits unfair or deceptive acts or practices, including: (a) "Representing that goods or services have . . . characteristics, . . . [b]enefits or qualities that they do not have;" (b) "Representing that goods or services are of a particular standard, quality or grade . . . if they are of another;" (c) "Advertising goods or services with intent not to sell them as advertised;" and (d) "Engaging in any other fraudulent or deceptive conduct which creates a likelihood of confusion or misunderstanding." 73 P.S. § 201-2(4). GM engaged in unlawful trade practices, and unfair or deceptive acts or practices that violated Pennsylvania CPL.
- 2517. GM participated in unfair or deceptive trade practices that violated the Pennsylvania CPL as described below and alleged throughout the Complaint. By failing to disclose the Transmission Defect, by concealing the Transmission Defect, by marketing its vehicles as safe, reliable, easily operable, efficient, and of high quality, and by presenting itself as a reputable manufacturer that valued safety,

cleanliness, performance and efficiency, and stood behind its vehicles after they were sold, GM knowingly and intentionally misrepresented and omitted material facts in connection with the sale or lease of the Class Vehicles. GM systematically misrepresented, concealed, suppressed, or omitted material facts relating to the Class Vehicles and Transmission Defect in the course of its business.

- 2518. GM also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale of the Class Vehicles.
- 2519. GM's unfair and deceptive acts or practices occurred repeatedly in GM's trade or business, were capable of deceiving a substantial portion of the purchasing public, and imposed a serious safety risk on the public.
- 2520. GM knew that the Class Vehicles and their transmissions suffered from an inherent defect, were defectively designed or manufactured, and were not suitable for their intended use.
- 2521. GM knew or should have known that its conduct violated the Pennsylvania CPL.
- 2522. Pennsylvania Plaintiffs and the Pennsylvania Sub-Class Members reasonably relied on GM's misrepresentations and omissions of material facts in its advertisements of the Class Vehicles and in the purchase of the Class Vehicles.
- 2523. Had Pennsylvania Plaintiffs and the Pennsylvania Sub-Class Members known that the Class Vehicles would exhibit the Transmission Defect, they would not have purchased or leased the Class Vehicles, or would have paid less for them. Plaintiffs did not receive the benefit of their bargain as a result of GM's misconduct.
- 2524. GM owed Pennsylvania Plaintiffs and the Pennsylvania Sub-Class Members a duty to disclose the truth about the Transmission Defect because GM:

 (a) possessed exclusive knowledge of the Class Vehicles and the Transmission

Defect; (b) intentionally concealed the foregoing from Pennsylvania Plaintiffs and the Pennsylvania Sub-Class Members; and/or (c) made incomplete representations regarding the quality and durability of the Class Vehicles, while purposefully withholding material facts from Pennsylvania Plaintiffs and the Pennsylvania Sub-Class Members that contradicted these representations.

2525. Due to GM's specific and superior knowledge that the transmissions in the Class Vehicles will fail due to the Transmission Defect, its false representations regarding the increased durability of the Class Vehicles, and reliance by Pennsylvania Plaintiffs and the Pennsylvania Sub-Class Members on these material representations, GM had a duty to disclose to Class members that the 8L90 and 8L45 transmissions will cause failure in Class Vehicles, that Class Vehicles do not have the expected durability, reliability, and/or safety over other vehicles or of their predecessor transmissions, that failure of the 8L90 and 8L45 transmissions will cause damage to Class Vehicle engines and engine systems, and that Class members would be required to bear the cost of the damage to their vehicles. Having volunteered to provide information to Pennsylvania Plaintiffs and the Pennsylvania Sub-Class Members, GM had the duty to disclose not just the partial truth, but the entire truth. These omitted and concealed facts were material because they directly impact the value of the Class Vehicles purchased or leased by Pennsylvania Plaintiffs and the Pennsylvania Sub-Class Members. Longevity, durability, performance, and safety are material concerns to GM truck consumers. GM represented to Pennsylvania Plaintiffs and the Pennsylvania Sub-Class Members that they were purchasing or leasing vehicles that were durable, reliable, safe, efficient, of high quality, and containing transmissions of advanced and superior characteristics and technology as alleged throughout this Complaint, when in fact it is only a matter of time before the transmissions fail due to the Transmission Defect.

2526. Pennsylvania Plaintiffs and the Pennsylvania Sub-Class Members

suffered injury in fact to a legally protected interest. As a result of GM's conduct, Pennsylvania Plaintiffs and the Pennsylvania Sub-Class Members were harmed and suffered actual damages in the form of the diminished value of their vehicles.

- 2527. As a result of GM's conduct, Pennsylvania Plaintiffs and the Pennsylvania Sub-Class Members were harmed and suffered actual damages as a result of GM's misrepresentations and omissions with regard to their Class Vehicles' transmissions because they purchased vehicles which do not perform as advertised.
- 2528. As a direct and proximate result of GM's unfair or deceptive acts or practices, Pennsylvania Plaintiffs and the Pennsylvania Sub-Class Members suffered and will continue to suffer injury in fact and/or actual damages.
- 2529. Defendant's violations present a continuing risk to Pennsylvania Plaintiffs and the Pennsylvania Sub-Class Members as well as to the general public. Defendant's unlawful acts and practices complained of herein affect the public interest.
- 2530. GM is liable to Plaintiffs and the Pennsylvania Class members for treble their actual damages or \$100, whichever is greater, and attorneys' fees and costs under 73 P.S. § 201-9.2(a). Pennsylvania Plaintiffs and the Pennsylvania Sub-Class members are also entitled to an award of punitive damages given that Defendant's conduct was malicious, wanton, willful, oppressive, or exhibited a reckless indifference to the rights of others.

85. COUNT 85 BREACH OF EXPRESS WARRANTY 13 PA. CONS. STAT. §§ 2313 AND 2A210

- 2531. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2532. Pennsylvania Plaintiffs bring this cause of action on his own behalf and on behalf of the members of the Pennsylvania Sub-Class.

- 2533. GM is and was at all relevant times a "merchant" with respect to motor vehicles under 13 Pa. Cons. Stat. §§ 2104 and 2A103(a), and a "seller" of motor vehicles under § 2103(a).
- 2534. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under 13 Pa. Cons. Stat. § 2A103(a).
- 2535. The Class Vehicles are and were at all relevant times "goods" within the meaning of 13 Pa. Cons. Stat. § 2105(a) and 2A103(a).
- 2536. GM provided all purchasers and lessees of the Class Vehicles with the express warranty described herein, which became a material part of the bargain.
- 2537. GM provided all purchasers and lessees of Cadillac-branded Class Vehicles with the Cadillac Warranty and all purchasers and lessees of Chevrolet or GM-branded Class Vehicles with the Chevrolet/GM Warranty.
- 2538. Under the Warranties, GM expressly warranted the following: "The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Accordingly, the warranty covered all defects except for "slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Because the Transmission Defect does not fall into any of the above excluded categories, it is covered under GM's express warranty. GM agreed to provide such repairs "including towing, parts, and labor . . . at no charge" for up to 3 years or 36,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles and for up to 4 years or 50,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Bumper-to-Bumper Limited Warranties").
- 2539. Furthermore, under the Powertrain Component of the Warranties, GMC expressly warranted that the powertrain components listed therein, including the transmission and "all internally lubricated parts, case, torque converter, mounts,

seals, and gaskets as well as any electrical components internal to the transmission/ transaxle" and "any actuators directly connected to the transmission (slave cylinder, etc.)" are covered under the Warranties for up to 5 years or 60,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles, and for up to 6 years or 70,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Powertrain Warranties").

- 2540. GM manufactured and/or installed the 8L90 and 8L45 transmissions and the transmissions' component parts in the Class Vehicles, and the 8L90 and 8L45 transmissions and their component parts are covered by the express Warranties.
- 2541. The Transmission Defect at issue in this litigation was present at the time the Class Vehicles were sold or leased to Pennsylvania Plaintiffs and the Pennsylvania Sub-Class Members.
- 2542. Plaintiffs relied on GM's express warranties, which were a material part of the bargain, when purchasing or leasing their Class Vehicles.
- 2543. Under the express Warranties, GM was obligated to correct the Transmission Defect in the vehicles owned or leased by Pennsylvania Plaintiffs and the Pennsylvania Sub-Class Members.
- 2544. Although GM was obligated to correct the Transmission Defect, none of the attempted fixes to the transmissions are adequate under the terms of the Warranties, as they did not cure the defect.
- 2545. GM breached the express Warranties by performing illusory repairs. Rather than repairing the vehicles pursuant to the express Warranties, GM falsely informed Pennsylvania Sub-Class Members that there was no problem with their Class Vehicles, performed ineffective procedures including software updates, and/or replaced defective components in the 8L90 and 8L45 transmissions with equally defective components, without actually repairing the Class Vehicles.

2546. GM and its agent dealers have failed and refused to conform the 8L90 and 8L45 transmissions to the express Warranties. GM's conduct, as discussed throughout this Complaint, has voided any attempt on its part to disclaim liability for its actions.

2547. Moreover, GM's attempt to disclaim or limit these express Warranties vis-à-vis consumers is unconscionable and unenforceable under the circumstances here. Specifically, GM's warranty limitation is unenforceable because it knowingly sold a defective product without informing consumers about the defect.

2548. The time limits contained in GM's warranty period were also unconscionable and inadequate to protect Pennsylvania Plaintiffs and the Pennsylvania Sub-Class Members. Among other things, Pennsylvania Plaintiffs and the Pennsylvania Sub-Class Members had no meaningful choice in determining these time limitations, the terms of which unreasonably favored GM. A gross disparity in bargaining power existed between GM and the Class members, and GM knew or should have known that the Class Vehicles were defective at the time of sale.

2549. Pennsylvania Plaintiffs and the Pennsylvania Sub-Class Members have complied with all obligations under the Warranties, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

2550. Pennsylvania Plaintiffs and the Pennsylvania Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal and external sources.

2551. Because GM, through its conduct and exemplified by its own service

bulletins, has covered repairs of the Transmission Defect if GM determines the repairs are appropriately covered under the Warranties, GM cannot now deny that the Warranties cover the Transmission Defect.

- 2552. Because GM has not been able to remedy the Transmission Defect, any limitation on remedies included in the Warranties causes the Warranties to fail their essential purposes, rendering them null and void.
- 2553. As a direct and proximate cause of GM's breach, Pennsylvania Plaintiffs and the Pennsylvania Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Pennsylvania Plaintiffs and the Pennsylvania Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.
- 2554. As a direct and proximate result of GM's breach of express warranties, Pennsylvania Plaintiffs and the Pennsylvania Sub-Class Members have been damaged in an amount to be determined at trial.

86. COUNT 86 BREACH OF THE IMPLIED WARRANTY OF MERCHANTABILITY 13 PA. CONS. STAT. §§ 2314 AND 2A212

- 2555. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2556. GM is and was at all relevant times a "merchant" with respect to motor vehicles under 13 Pa. Cons. Stat. §§ 2104 and 2A103(a), and a "seller" of motor vehicles under § 2103(a).
- 2557. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under 13 Pa. Cons. Stat. § 2A103(a).
 - 2558. The Class Vehicles are and were at all relevant times "goods" within

the meaning of 13 Pa. Cons. Stat. § 2105(a) and 2A103(a).

2559. A warranty that the Class Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used is implied by law under 13 Pa. Cons. Stat. §§ 2314 and 2A212.

2560. GM knew or had reason to know of the specific use for which the Class Vehicles were purchased or leased. GM directly sold and marketed vehicles equipped with the 8L90 and 8L45 transmissions to customers through authorized dealers, like those from whom Pennsylvania Plaintiffs and the Pennsylvania Sub-Class Members bought or leased their vehicles, for the intended purpose of consumers purchasing the vehicles. GM knew that the Class Vehicles would and did pass unchanged from the authorized dealers to Pennsylvania Plaintiffs and the Pennsylvania Sub-Class Members, with no modification to the defective transmissions.

2561. GM provided Plaintiffs and Class Members with an implied warranty that the Class Vehicles and their components and parts are merchantable and fit for the ordinary purposes for which they were sold.

2562. This implied warranty included, among other things: (i) a warranty that the Class Vehicles and their transmissions that were manufactured, supplied, distributed, and/or sold by GM were safe and reliable for providing transportation; and (ii) a warranty that the Class Vehicles and their transmissions would be fit for their intended use while the Class Vehicles were being operated.

2563. Contrary to the applicable implied warranties, the Class Vehicles and their transmissions at the time of sale and thereafter were not fit for their ordinary and intended purpose of providing Plaintiffs and Class Members with reliable, durable, and safe transportation. Instead, the Class Vehicles are defective, including, but not limited to, the defective design or manufacture of their transmissions and the existence of the Transmission Defect at the time of sale or lease and thereafter. GM

knew of this defect at the time these sale or lease transactions occurred.

2564. As a result of GM's breach of the applicable implied warranties, Pennsylvania Plaintiffs and the Pennsylvania Sub-Class Members of the Class Vehicles suffered an ascertainable loss of money, property, and/or value of their Class Vehicles. Additionally, as a result of the Transmission Defect, Pennsylvania Plaintiffs and the Pennsylvania Sub-Class Members were harmed and suffered actual damages in that the Class Vehicles' transmission components are substantially certain to fail before their expected useful life has run.

2565. GM's actions, as complained of herein, breached the implied warranty that the Class Vehicles were of merchantable quality and fit for such use in violation of 13 Pa. Cons. Stat. §§ 2314 and 2A212.

2566. Pennsylvania Plaintiffs and the Pennsylvania Sub-Class Members have complied with all obligations under the warranty, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

2567. Pennsylvania Plaintiffs and the Pennsylvania Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal sources.

2568. As a direct and proximate cause of GM's breach, Pennsylvania Plaintiffs and the Pennsylvania Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Pennsylvania Plaintiffs and the Pennsylvania Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.

2569. As a direct and proximate result of GM's breach of the implied

warranty of merchantability, Pennsylvania Plaintiffs and the Pennsylvania Sub-Class Members have been damaged in an amount to be proven at trial.

BB. Claims on Behalf of the South Carolina Class

87. COUNT 87 VIOLATION OF THE SOUTH CAROLINA UNFAIR TRADE PRACTICES ACT S.C. CODE ANN. § 39-5-10, ET SEO.

- 2570. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2571. Plaintiffs Donald Sicura and Jason Sinclair ("South Carolina Plaintiffs") bring this cause of action on their own behalf and on behalf of the members of the South Carolina Sub-Class.
 - 2572. GM is a "person" under S.C. Code Ann. § 39-5-10.
- 2573. The South Carolina Unfair Trade Practices Act ("South Carolina UTPA") prohibits "unfair or deceptive acts or practices in the conduct of any trade or commerce." S.C. Code Ann. § § 39-5-20(a). GM's conduct and acts were offensive to public policy or immoral, unethical, or oppressive, thus unfair; indeed, to manufacture, distribute, and promote the Class Vehicles with a Transmission Defect known to cause failure while the Class Vehicle is in motion is surely detrimental to the public at large. GM's unfair or deceptive acts or practices were prohibited by the South Carolina UTPA.
- 2574. GM participated in unfair or deceptive trade practices that violated the South Carolina UTPA as described below and alleged throughout the Complaint. By failing to disclose the Transmission Defect, by concealing the Transmission Defect, by marketing its vehicles as safe, reliable, easily operable, efficient, and of high quality, and by presenting itself as a reputable manufacturer that valued safety, cleanliness, performance and efficiency, and stood behind its vehicles after they

were sold, GM knowingly and intentionally misrepresented and omitted material facts in connection with the sale or lease of the Class Vehicles. GM systematically misrepresented, concealed, suppressed, or omitted material facts relating to the Class Vehicles and Transmission Defect in the course of its business.

- 2575. GM also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale of the Class Vehicles.
- 2576. GM's unfair and deceptive acts or practices occurred repeatedly in GM's trade or business, were capable of deceiving a substantial portion of the purchasing public, and imposed a serious safety risk on the public.
- 2577. GM knew that the Class Vehicles and their transmissions suffered from an inherent defect, were defectively designed or manufactured, and were not suitable for their intended use.
- 2578. GM knew or should have known that its conduct violated the South Carolina UTPA
- 2579. South Carolina Plaintiffs and the South Carolina Sub-Class Members justifiably relied on GM's misrepresentations and omissions of material facts in its advertisements of the Class Vehicles and in the purchase of the Class Vehicles.
- 2580. Had South Carolina Plaintiffs and the South Carolina Sub-Class Members known that the Class Vehicles would exhibit the Transmission Defect, they would not have purchased or leased the Class Vehicles, or would have paid less for them. Plaintiffs did not receive the benefit of their bargain as a result of GM's misconduct.
- 2581. GM owed South Carolina Plaintiffs and the South Carolina Sub-Class Members a duty to disclose the truth about the Transmission Defect because GM:

 (a) possessed exclusive knowledge of the Class Vehicles and the Transmission

Defect; (b) intentionally concealed the foregoing from South Carolina Plaintiffs and the South Carolina Sub-Class Members; and/or (c) made incomplete representations regarding the quality and durability of the Class Vehicles, while purposefully withholding material facts from South Carolina Plaintiffs and the South Carolina Sub-Class Members that contradicted these representations.

2582. Due to GM's specific and superior knowledge that the transmissions in the Class Vehicles will fail due to the Transmission Defect, its false representations regarding the increased durability of the Class Vehicles, and reliance by South Carolina Plaintiffs and the South Carolina Sub-Class Members on these material representations, GM had a duty to disclose to Class members that the 8L90 and 8L45 transmissions will cause failure in Class Vehicles, that Class Vehicles do not have the expected durability, reliability, and/or safety over other vehicles or of their predecessor transmissions, that failure of the 8L90 and 8L45 transmissions will cause damage to Class Vehicle engines and engine systems, and that Class members would be required to bear the cost of the damage to their vehicles. Having volunteered to provide information to South Carolina Plaintiffs and the South Carolina Sub-Class Members, GM had the duty to disclose not just the partial truth, but the entire truth. These omitted and concealed facts were material because they directly impact the value of the Class Vehicles purchased or leased by South Carolina Plaintiffs and the South Carolina Sub-Class Members. Longevity, durability, performance, and safety are material concerns to GM truck consumers. GM represented to South Carolina Plaintiffs and the South Carolina Sub-Class Members that they were purchasing or leasing vehicles that were durable, reliable, safe, efficient, of high quality, and containing transmissions of advanced and superior characteristics and technology as alleged throughout this Complaint, when in fact it is only a matter of time before the transmissions fail due to the Transmission Defect.

2583. South Carolina Plaintiffs and the South Carolina Sub-Class Members suffered injury in fact to a legally protected interest. As a result of GM's conduct, South Carolina Plaintiffs and the South Carolina Sub-Class Members were harmed and suffered actual damages in the form of the diminished value of their vehicles.

2584. As a result of GM's conduct, South Carolina Plaintiffs and the South Carolina Sub-Class Members were harmed and suffered actual damages as a result of GM's misrepresentations and omissions with regard to their Class Vehicles' transmissions because they purchased vehicles which do not perform as advertised.

2585. As a direct and proximate result of GM's unfair or deceptive acts or practices, South Carolina Plaintiffs and the South Carolina Sub-Class Members suffered and will continue to suffer injury in fact and/or actual damages.

2586. GM's violations present a continuing risk to South Carolina Plaintiffs and the South Carolina Sub-Class Members as well as to the general public. GM's unlawful acts and practices complained of herein affect the public interest. Specifically: (1) the number of consumers affected by GM's deceptive practices are in the hundreds of thousands nation-wide; (2) GM has significantly high sophistication and bargaining power with respect to the manufacture and sale of the Class Vehicles to Plaintiffs and individual Class members; and (3) so long as the Class Vehicles continue to be sold and distributed with the defective transmissions, the likelihood of continued impact on other consumers is significant.

2587. Pursuant to S.C. Code Ann. § 39-5-140(a), South Carolina Plaintiffs and the South Carolina Sub-Class Members seek monetary relief against Defendant to recover for economic losses, reasonable attorney's fees and costs. Because Defendant's actions were willful and knowing, Plaintiffs' damages should be trebled.

2588. South Carolina Plaintiffs and the South Carolina Sub-Class Members further allege that Defendant's malicious and deliberate conduct warrants an

assessment of punitive damages because Defendant carried out despicable conduct with willful and conscious disregard of the rights and safety of others, subjecting Plaintiffs and the Class to cruel and unjust hardship as a result.

88.COUNT 88 BREACH OF EXPRESS WARRANTY S.C. CODE ANN. § §§ 36-2-313 AND 36-2A-210

- 2589. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2590. South Carolina Plaintiffs bring this cause of action on his own behalf and on behalf of the members of the South Carolina Sub-Class.
- 2591. GM is and was at all relevant times a "merchant" with respect to motor vehicles under S.C. Code Ann. § §§ 36-2-104(1) and 36-2A-103(1)(t), and a "seller" of motor vehicles under § 36-2-103(1)(d).
- 2592. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under S.C. Code Ann. § § 36-2A-103(1)(p).
- 2593. The Class Vehicles are and were at all relevant times "goods" within the meaning of S.C. Code Ann. § §§ 36-2-105(1) and 36-2A-103(1)(h).
- 2594. GM provided all purchasers and lessees of the Class Vehicles with the express warranty described herein, which became a material part of the bargain.
- 2595. GM provided all purchasers and lessees of Cadillac-branded Class Vehicles with the Cadillac Warranty and all purchasers and lessees of Chevrolet or GM-branded Class Vehicles with the Chevrolet/GM Warranty.
- 2596. Under the Warranties, GM expressly warranted the following: "The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Accordingly, the warranty covered all defects except for "slight noise, vibrations, or other normal characteristics of the vehicle due

to materials or workmanship occurring during the warranty period." Because the Transmission Defect does not fall into any of the above excluded categories, it is covered under GM's express warranty. GM agreed to provide such repairs "including towing, parts, and labor . . . at no charge" for up to 3 years or 36,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles and for up to 4 years or 50,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Bumper-to-Bumper Limited Warranties").

2597. Furthermore, under the Powertrain Component of the Warranties, GMC expressly warranted that the powertrain components listed therein, including the transmission and "all internally lubricated parts, case, torque converter, mounts, seals, and gaskets as well as any electrical components internal to the transmission/transaxle" and "any actuators directly connected to the transmission (slave cylinder, etc.)" are covered under the Warranties for up to 5 years or 60,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles, and for up to 6 years or 70,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Powertrain Warranties").

2598. GM manufactured and/or installed the 8L90 and 8L45 transmissions and the transmissions' component parts in the Class Vehicles, and the 8L90 and 8L45 transmissions and their component parts are covered by the express Warranties.

2599. The Transmission Defect at issue in this litigation was present at the time the Class Vehicles were sold or leased to South Carolina Plaintiffs and the South Carolina Sub-Class Members.

2600. Plaintiffs relied on GM's express warranties, which were a material part of the bargain, when purchasing or leasing their Class Vehicles.

2601. Under the express Warranties, GM was obligated to correct the Transmission Defect in the vehicles owned or leased by South Carolina Plaintiffs

and the South Carolina Sub-Class Members.

2602. Although GM was obligated to correct the Transmission Defect, none of the attempted fixes to the transmissions are adequate under the terms of the Warranties, as they did not cure the defect.

2603. GM breached the express Warranties by performing illusory repairs. Rather than repairing the vehicles pursuant to the express Warranties, GM falsely informed South Carolina Sub-Class Members that there was no problem with their Class Vehicles, performed ineffective procedures including software updates, and/or replaced defective components in the 8L90 and 8L45 transmissions with equally defective components, without actually repairing the Class Vehicles.

2604. GM and its agent dealers have failed and refused to conform the 8L90 and 8L45 transmissions to the express Warranties. GM's conduct, as discussed throughout this Complaint, has voided any attempt on its part to disclaim liability for its actions.

2605. Moreover, GM's attempt to disclaim or limit these express Warranties vis-à-vis consumers is unconscionable and unenforceable under the circumstances here. Specifically, GM's warranty limitation is unenforceable because it knowingly sold a defective product without informing consumers about the defect.

2606. The time limits contained in GM's warranty period were also unconscionable and inadequate to protect South Carolina Plaintiffs and the South Carolina Sub-Class Members. Among other things, South Carolina Plaintiffs and the South Carolina Sub-Class Members had no meaningful choice in determining these time limitations, the terms of which unreasonably favored GM. A gross disparity in bargaining power existed between GM and the Class members, and GM knew or should have known that the Class Vehicles were defective at the time of sale.

2607. South Carolina Plaintiffs and the South Carolina Sub-Class Members have complied with all obligations under the Warranties, or otherwise have been

excused from performance of said obligations as a result of GM's conduct described herein.

2608. South Carolina Plaintiffs and the South Carolina Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal and external sources.

2609. Because GM, through its conduct and exemplified by its own service bulletins, has covered repairs of the Transmission Defect if GM determines the repairs are appropriately covered under the Warranties, GM cannot now deny that the Warranties cover the Transmission Defect.

2610. Because GM has not been able to remedy the Transmission Defect, any limitation on remedies included in the Warranties causes the Warranties to fail their essential purposes, rendering them null and void.

2611. As a direct and proximate cause of GM's breach, South Carolina Plaintiffs and the South Carolina Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, South Carolina Plaintiffs and the South Carolina Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.

2612. As a direct and proximate result of GM's breach of express warranties, South Carolina Plaintiffs and the South Carolina Sub-Class Members have been damaged in an amount to be determined at trial.

89. COUNT 89 BREACH OF THE IMPLIED WARRANTY OF MERCHANTABILITY S.C. CODE ANN. § §§ 36-2-314 AND 36-2A-212

- 2613. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2614. South Carolina Plaintiffs bring this cause of action on his own behalf and on behalf of the members of the South Carolina Sub-Class.
- 2615. GM is and was at all relevant times a "merchant" with respect to motor vehicles under S.C. Code Ann. §§ 36-2-104(1) and 36-2A-103(1)(t), and a "seller" of motor vehicles under § 36-2-103(1)(d).
- 2616. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under S.C. Code Ann. § § 36-2A-103(1)(p).
- 2617. The Class Vehicles are and were at all relevant times "goods" within the meaning of S.C. Code Ann. §§ 36-2-105(1) and 36-2A-103(1)(h).
- 2618. A warranty that the Class Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used is implied by law under S.C. Code Ann. §§ 36-2-314 and 36-2A-212.
- 2619. GM knew or had reason to know of the specific use for which the Class Vehicles were purchased or leased. GM directly sold and marketed vehicles equipped with the 8L90 and 8L45 transmissions to customers through authorized dealers, like those from whom South Carolina Plaintiffs and the South Carolina Sub-Class Members bought or leased their vehicles, for the intended purpose of consumers purchasing the vehicles. GM knew that the Class Vehicles would and did pass unchanged from the authorized dealers to South Carolina Plaintiffs and the South Carolina Sub-Class Members, with no modification to the defective transmissions.
 - 2620. GM provided Plaintiffs and Class Members with an implied warranty

that the Class Vehicles and their components and parts are merchantable and fit for the ordinary purposes for which they were sold.

- 2621. This implied warranty included, among other things: (i) a warranty that the Class Vehicles and their transmissions that were manufactured, supplied, distributed, and/or sold by GM were safe and reliable for providing transportation; and (ii) a warranty that the Class Vehicles and their transmissions would be fit for their intended use while the Class Vehicles were being operated.
- 2622. Contrary to the applicable implied warranties, the Class Vehicles and their transmissions at the time of sale and thereafter were not fit for their ordinary and intended purpose of providing Plaintiffs and Class Members with reliable, durable, and safe transportation. Instead, the Class Vehicles are defective, including, but not limited to, the defective design or manufacture of their transmissions and the existence of the Transmission Defect at the time of sale or lease and thereafter. GM knew of this defect at the time these sale or lease transactions occurred.
- 2623. As a result of GM's breach of the applicable implied warranties, South Carolina Plaintiffs and the South Carolina Sub-Class Members of the Class Vehicles suffered an ascertainable loss of money, property, and/or value of their Class Vehicles. Additionally, as a result of the Transmission Defect, South Carolina Plaintiffs and the South Carolina Sub-Class Members were harmed and suffered actual damages in that the Class Vehicles' transmission components are substantially certain to fail before their expected useful life has run.
- 2624. GM's actions, as complained of herein, breached the implied warranty that the Class Vehicles were of merchantable quality and fit for such use in violation of S.C. Code Ann. §§ 36-2-314 and 36-2A-212.
- 2625. South Carolina Plaintiffs and the South Carolina Sub-Class Members have complied with all obligations under the warranty, or otherwise have been excused from performance of said obligations as a result of GM's conduct described

herein.

2626. South Carolina Plaintiffs and the South Carolina Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal sources.

2627. As a direct and proximate cause of GM's breach, South Carolina Plaintiffs and the South Carolina Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, South Carolina Plaintiffs and the South Carolina Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.

2628. As a direct and proximate result of GM's breach of the implied warranty of merchantability, South Carolina Plaintiffs and the South Carolina Sub-Class Members have been damaged in an amount to be proven at trial.

CC. Claims on Behalf of the South Dakota Class

90. COUNT 90 VIOLATION OF SOUTH DAKOTA DECEPTIVE TRADE PRACTICES AND CONSUMER PROTECTION LAW S.D. CODIFIED LAWS § 37-24-6

2629. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.

2630. Plaintiff Colton Kelly ("South Dakota Plaintiff") brings this cause of action on his own behalf and on behalf of the members of the South Dakota Sub-Class.

2631. South Dakota Plaintiff brings this cause of action on his own behalf and

on behalf of the members of the South Dakota Sub-Class.

2632. South Dakota Plaintiff, the South Dakota Sub-Class Members, and GM are "persons" within the meaning of S.D. Codified Laws § 37-24-1(8).

2633. The South Dakota Deceptive Trade Practices and Consumer Protection ("South Dakota CPA") prohibits "deceptive acts or practices, which are defined to include "[k]nowingly and intentionally act, use, or employ any deceptive act or practice, fraud, false pretense, false promises, or misrepresentation or to conceal, suppress, or omit any material fact in connection with the sale or advertisement of any merchandise, regardless of whether any person has in fact been misled, deceived, or damaged thereby." S.D. Codified Laws § 37-24-6(1).

2634. GM participated in deceptive trade practices that violated the South Dakota CPA as described below and alleged throughout the Complaint. By failing to disclose the Transmission Defect, by concealing the Transmission Defect, by marketing its vehicles as safe, reliable, easily operable, efficient, and of high quality, and by presenting itself as a reputable manufacturer that valued safety, cleanliness, performance and efficiency, and stood behind its vehicles after they were sold, GM knowingly and intentionally misrepresented and omitted material facts in connection with the sale or lease of the Class Vehicles. GM systematically misrepresented, concealed, suppressed, or omitted material facts relating to the Class Vehicles and Transmission Defect in the course of its business.

2635. By systematically devaluing safety and concealing a plethora of defects in the 8L90 and 8L45 Transmissions and the Class Vehicles, GM engaged in unfair or deceptive practices prohibited by the South Dakota CPA, including: (1) representing that the 8L90 and 8L45 Transmissions and the Class Vehicles have characteristics, uses, benefits, and qualities which they do not have; (2) representing that the 8L90 and 8L45 Transmissions and the Class Vehicles are of a particular standard, quality, and grade when they are not; and (3) advertising the 8L90 and

8L45 Transmissions and the Class Vehicles with the intent not to sell them as advertised.

2636. GM also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale of the Class Vehicles.

2637. GM's unfair and deceptive acts or practices occurred repeatedly in GM's trade or business, were capable of deceiving a substantial portion of the purchasing public, and imposed a serious safety risk on the public.

2638. GM knew that the Class Vehicles and their transmissions suffered from an inherent defect, were defectively designed or manufactured, and were not suitable for their intended use.

2639. GM knew or should have known that its conduct violated the South Dakota CPA.

2640. South Dakota Plaintiff and the South Dakota Sub-Class Members reasonably relied on GM's misrepresentations and omissions of material facts in its advertisements of the Class Vehicles and in the purchase of the Class Vehicles.

2641. Had South Dakota Plaintiff and the South Dakota Sub-Class Members known that the Class Vehicles would exhibit the Transmission Defect, they would not have purchased or leased the Class Vehicles, or would have paid less for them. Plaintiffs did not receive the benefit of their bargain as a result of GM's misconduct.

2642. South Dakota Plaintiff and the South Dakota Sub-Class Members suffered injury in fact to a legally protected interest. As a result of GM's conduct, South Dakota Plaintiff and the South Dakota Sub-Class Members were harmed and suffered actual damages in the form of the diminished value of their vehicles.

2643. As a result of GM's conduct, South Dakota Plaintiff and the South Dakota Sub-Class Members were harmed and suffered actual damages as a result of

- GM's misrepresentations and omissions with regard to their Class Vehicles' transmissions because they purchased vehicles which do not perform as advertised.
- 2644. As a direct and proximate result of GM's unfair or deceptive acts or practices, South Dakota Plaintiff and the South Dakota Sub-Class Members suffered and will continue to suffer injury in fact and/or actual damages.
- 2645. South Dakota Plaintiff and the South Dakota Sub-Class Members seek damages in an amount to be proven at trial, including but not limited to actual damages, under the South Dakota CPA.

91. COUNT 91 BREACH OF EXPRESS WARRANTY S.D. CODIFIED LAWS §§ 57A-2-313 AND 57A-2A-210

- 2646. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2647. South Dakota Plaintiff brings this cause of action on his own behalf and on behalf of the members of the South Dakota Sub-Class.
- 2648. GM is and was at all relevant times a "merchant" with respect to motor vehicles under S.D. Codified Laws §§ 57A-104(1) and 57A-2A-103(1)(t), and a "seller" of motor vehicles under § 57A-104(1)(d).
- 2649. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under S.D. Codified Laws § 57A-2A-103(1)(p).
- 2650. The Class Vehicles are and were at all relevant times "goods" within the meaning of S.D. Codified Laws §§ 4-2-105(1) and 4-2.5-103(1)(h).
- 2651. GM provided all purchasers and lessees of the Class Vehicles with the express warranty described herein, which became a material part of the bargain.
- 2652. GM provided all purchasers and lessees of Cadillac-branded Class Vehicles with the Cadillac Warranty and all purchasers and lessees of Chevrolet or GM-branded Class Vehicles with the Chevrolet/GM Warranty.

2653. Under the Warranties, GM expressly warranted the following: "The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Accordingly, the warranty covered all defects except for "slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Because the Transmission Defect does not fall into any of the above excluded categories, it is covered under GM's express warranty. GM agreed to provide such repairs "including towing, parts, and labor . . . at no charge" for up to 3 years or 36,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles and for up to 4 years or 50,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Bumper-to-Bumper Limited Warranties").

2654. Furthermore, under the Powertrain Component of the Warranties, GMC expressly warranted that the powertrain components listed therein, including the transmission and "all internally lubricated parts, case, torque converter, mounts, seals, and gaskets as well as any electrical components internal to the transmission/transaxle" and "any actuators directly connected to the transmission (slave cylinder, etc.)" are covered under the Warranties for up to 5 years or 60,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles, and for up to 6 years or 70,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Powertrain Warranties").

2655. GM manufactured and/or installed the 8L90 and 8L45 transmissions and the transmissions' component parts in the Class Vehicles, and the 8L90 and 8L45 transmissions and their component parts are covered by the express Warranties.

2656. The Transmission Defect at issue in this litigation was present at the time the Class Vehicles were sold or leased to South Dakota Plaintiff and the South

Dakota Sub-Class Members.

2657. Plaintiffs relied on GM's express warranties, which were a material part of the bargain, when purchasing or leasing their Class Vehicles.

2658. Under the express Warranties, GM was obligated to correct the Transmission Defect in the vehicles owned or leased by South Dakota Plaintiff and the South Dakota Sub-Class Members.

2659. Although GM was obligated to correct the Transmission Defect, none of the attempted fixes to the transmissions are adequate under the terms of the Warranties, as they did not cure the defect.

2660. GM breached the express Warranties by performing illusory repairs. Rather than repairing the vehicles pursuant to the express Warranties, GM falsely informed South Dakota Sub-Class Members that there was no problem with their Class Vehicles, performed ineffective procedures including software updates, and/or replaced defective components in the 8L90 and 8L45 transmissions with equally defective components, without actually repairing the Class Vehicles.

2661. GM and its agent dealers have failed and refused to conform the 8L90 and 8L45 transmissions to the express Warranties. GM's conduct, as discussed throughout this Complaint, has voided any attempt on its part to disclaim liability for its actions.

2662. Moreover, GM's attempt to disclaim or limit these express Warranties vis-à-vis consumers is unconscionable and unenforceable under the circumstances here. Specifically, GM's warranty limitation is unenforceable because it knowingly sold a defective product without informing consumers about the defect.

2663. The time limits contained in GM's warranty period were also unconscionable and inadequate to protect South Dakota Plaintiff and the South Dakota Sub-Class Members. Among other things, South Dakota Plaintiff and the South Dakota Sub-Class Members had no meaningful choice in determining these

time limitations, the terms of which unreasonably favored GM. A gross disparity in bargaining power existed between GM and the Class members, and GM knew or should have known that the Class Vehicles were defective at the time of sale.

2664. South Dakota Plaintiff and the South Dakota Sub-Class Members have complied with all obligations under the Warranties, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

2665. South Dakota Plaintiff and the South Dakota Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal and external sources.

2666. Because GM, through its conduct and exemplified by its own service bulletins, has covered repairs of the Transmission Defect if GM determines the repairs are appropriately covered under the Warranties, GM cannot now deny that the Warranties cover the Transmission Defect.

2667. Because GM has not been able to remedy the Transmission Defect, any limitation on remedies included in the Warranties causes the Warranties to fail their essential purposes, rendering them null and void.

2668. As a direct and proximate cause of GM's breach, South Dakota Plaintiff and the South Dakota Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, South Dakota Plaintiff and the South Dakota Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.

2669. As a direct and proximate result of GM's breach of express warranties,

South Dakota Plaintiff and the South Dakota Sub-Class Members have been damaged in an amount to be determined at trial.

92. COUNT 92 BREACH OF THE IMPLIED WARRANTY OF MERCHANTABILITY S.D. CODIFIED LAWS §§ 57A-2-314 AND 57A-2A-212

- 2670. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2671. South Dakota Plaintiff brings this cause of action on his own behalf and on behalf of the members of the South Dakota Sub-Class.
- 2672. GM is and was at all relevant times a "merchant" with respect to motor vehicles under S.D. Codified Laws §§ 57A-104(1) and 57A-2A-103(1)(t), and a "seller" of motor vehicles under § 57A-104(1)(d).
- 2673. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under S.D. Codified Laws § 57A-2A-103(1)(p).
- 2674. The Class Vehicles are and were at all relevant times "goods" within the meaning of S S.D. Codified Laws §§ 4-2-105(1) and 4-2.5-103(1)(h).
- 2675. A warranty that the Class Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used is implied by law under S S.D. Codified Laws §§ 57A-2-314 and 57A-2A-212.
- 2676. GM knew or had reason to know of the specific use for which the Class Vehicles were purchased or leased. GM directly sold and marketed vehicles equipped with the 8L90 and 8L45 transmissions to customers through authorized dealers, like those from whom South Dakota Plaintiff and the South Dakota Sub-Class Members bought or leased their vehicles, for the intended purpose of consumers purchasing the vehicles. GM knew that the Class Vehicles would and did pass unchanged from the authorized dealers to South Dakota Plaintiff and the South

Dakota Sub-Class Members, with no modification to the defective transmissions.

2677. GM provided Plaintiffs and Class Members with an implied warranty that the Class Vehicles and their components and parts are merchantable and fit for the ordinary purposes for which they were sold.

2678. This implied warranty included, among other things: (i) a warranty that the Class Vehicles and their transmissions that were manufactured, supplied, distributed, and/or sold by GM were safe and reliable for providing transportation; and (ii) a warranty that the Class Vehicles and their transmissions would be fit for their intended use while the Class Vehicles were being operated.

2679. Contrary to the applicable implied warranties, the Class Vehicles and their transmissions at the time of sale and thereafter were not fit for their ordinary and intended purpose of providing Plaintiffs and Class Members with reliable, durable, and safe transportation. Instead, the Class Vehicles are defective, including, but not limited to, the defective design or manufacture of their transmissions and the existence of the Transmission Defect at the time of sale or lease and thereafter. GM knew of this defect at the time these sale or lease transactions occurred.

2680. As a result of GM's breach of the applicable implied warranties, South Dakota Plaintiff and the South Dakota Sub-Class Members of the Class Vehicles suffered an ascertainable loss of money, property, and/or value of their Class Vehicles. Additionally, as a result of the Transmission Defect, South Dakota Plaintiff and the South Dakota Sub-Class Members were harmed and suffered actual damages in that the Class Vehicles' transmission components are substantially certain to fail before their expected useful life has run.

2681. GM's actions, as complained of herein, breached the implied warranty that the Class Vehicles were of merchantable quality and fit for such use in violation of S.D. Codified Laws §§ 57A-2-314 and 57A-2A-212.

2682. South Dakota Plaintiff and the South Dakota Sub-Class Members have

complied with all obligations under the warranty, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

2683. South Dakota Plaintiff and the South Dakota Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal sources.

2684. As a direct and proximate cause of GM's breach, South Dakota Plaintiff and the South Dakota Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, South Dakota Plaintiff and the South Dakota Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.

2685. As a direct and proximate result of GM's breach of the implied warranty of merchantability, South Dakota Plaintiff and the South Dakota Sub-Class Members have been damaged in an amount to be proven at trial.

DD. Claims on Behalf of the Tennessee Sub-Class

93. COUNT 93 VIOLATION OF THE TENNESSEE CONSUMER PROTECTION ACT TENN. CODE ANN. § 47-18-101, ET SEQ.

2686. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.

2687. Plaintiff Mark Kidd ("Tennessee Plaintiff") brings this cause of action on his own behalf and on behalf of the members of the Tennessee Sub-Class.

2688. The Tennessee Plaintiff and Class members are "consumer[s]" within

the meaning of Tenn. Code Ann. § 47-18-103(2).

2689. The Tennessee Plaintiff, Class members, and GM are "person[s]" within the meaning of Tenn. Code Ann. § 47-18-103(9).

2690. The Class Vehicles constitute "goods" within the meaning of Tenn. Code Ann. § 47-18-103(5).

2691. GM engaged in "trade," "commerce," and/or "consumer transaction[s]" within the meaning of Tenn. Code Ann. § 47-18-103(11).

2692. The Tennessee Consumer Protection Act ("CPA") provides that, "[u]nfair or deceptive acts or practices affecting the conduct of any trade or commerce constitute unlawful acts or practices", including but not limited to, "(2) causing likelihood of confusion or misunderstanding as to the certification of goods ...;" "(5) representing that goods ... have ... characteristics ... uses, benefits ... that they do not have;" "(7) representing that goods ... are of a particular standard, quality or grade, or that goods are of a particular style or model, if they are of another;" "(9) advertising goods or services with intent not to sell them as advertised;" "(22) using any advertisement containing an offer to sell goods ... when the offer is not a bona fide effort to sell the advertised goods ...;" "(27) engaging in any other act or practice which is deceptive to the consumer or any other person..." Tenn. Code Ann. § 47-18-104(a), (b).

2693. GM concealed the fact that Class Vehicles had defective transmissions that made them unsafe to drive and told various GM dealers and service technicians that the vehicles were operating "as [d]esigned" and that the symptoms were "normal" (if widespread enough). These GM dealers and service technicians passed this misinformation onto Class Members, as evidenced by the various consumer complaints alleging that someone—such as a GM "dealer" or "service manager"—told them that the defect's symptoms were "normal."

2694. GM violated the Tennessee CPA by, at minimum, representing that the

Class Vehicles have characteristics, uses, benefits, and qualities which they do not have; representing that the Class Vehicles are of a particular standard and quality when they are not; advertising the Class Vehicles with the intent not to sell them as advertised; and omitting material facts in describing the Class Vehicles.

2695. GM's acts and practices, as described throughout this Complaint, constitute "unfair or deceptive acts or practices affecting the conduct of any trade or commerce constitute unlawful acts or practices" by GM, that are unlawful, as enumerated in Tenn. Code Ann. § 47-18-104.

2696. GM intentionally and knowingly misrepresented material facts regarding the Class Vehicles with the intent to mislead the Tennessee Plaintiff and the Class.

2697. GM knew or should have known that its conducted violated the Tennessee CPA.

2698. GM's fraudulent concealment of the true characteristics of the defective transmissions in the Class Vehicles were material to the Tennessee Plaintiff and Class members.

2699. GM's violations present a continuing risk to Plaintiffs as well as to the general public. GM's unlawful acts and practices complained of herein affect the public interest.

2700. GM had an ongoing duty to its customers to refrain from unfair and deceptive practices under the Tennessee CPA. All owners of Class Vehicles suffered ascertainable loss in the form of the diminished value of their vehicles as a result of GM's deceptive and unfair acts and practices made in the course of GM's business.

2701. As a direct and proximate result of GM's violations of the Tennessee CPA, the Tennessee Plaintiff and the Class have suffered injury-in-fact and/or actual damage.

2702. Pursuant to Tenn. Code Ann. § 47-18-109, Tennessee Plaintiff seeks an 520

order enjoining GM's unfair and/or deceptive acts or practices, damages, treble damages for willful and knowing violations, pursuant to § 47-18-109(a)(3), punitive damages, attorneys' fees, costs, and any relief available under the Tennessee CPA that the Court deems just and proper.

94. COUNT 94 BREACH OF EXPRESS WARRANTY TENN. CODE §§ 47-2-313 AND 47-2A-210

- 2703. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2704. Tennessee Plaintiff brings this cause of action on his own behalf and on behalf of the members of the Tennessee Sub-Class.
- 2705. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Tenn. Code §§ 47-2-104(1) and 47-2A-103(1)(t), and "seller" of motor vehicles under § 47-2-103(1)(d).
- 2706. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Tenn. Code § 47-2A-103(1)(p).
- 2707. The Class Vehicles are and were at all relevant times "goods" within the meaning of Tenn. Code §§ 47-2-105(1) and 47-2A-103(1)(h).
- 2708. GM provided all purchasers and lessees of the Class Vehicles with the express warranty described herein, which became a material part of the bargain.
- 2709. GM provided all purchasers and lessees of Cadillac-branded Class Vehicles with the Cadillac Warranty and all purchasers and lessees of Chevrolet or GM-branded Class Vehicles with the Chevrolet/GM Warranty.
- 2710. Under the Warranties, GM expressly warranted the following: "The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Accordingly, the warranty covered all defects

except for "slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Because the Transmission Defect does not fall into any of the above excluded categories, it is covered under GM's express warranty. GM agreed to provide such repairs "including towing, parts, and labor . . . at no charge" for up to 3 years or 36,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles and for up to 4 years or 50,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Bumper-to-Bumper Limited Warranties").

- 2711. Furthermore, under the Powertrain Component of the Warranties, GMC expressly warranted that the powertrain components listed therein, including the transmission and "all internally lubricated parts, case, torque converter, mounts, seals, and gaskets as well as any electrical components internal to the transmission/transaxle" and "any actuators directly connected to the transmission (slave cylinder, etc.)" are covered under the Warranties for up to 5 years or 60,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles, and for up to 6 years or 70,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Powertrain Warranties").
- 2712. GM manufactured and/or installed the 8L90 and 8L45 transmissions and the transmissions' component parts in the Class Vehicles, and the 8L90 and 8L45 transmissions and their component parts are covered by the express Warranties.
- 2713. The Transmission Defect at issue in this litigation was present at the time the Class Vehicles were sold or leased to Tennessee Plaintiff and the Tennessee Sub-Class Members.
- 2714. Plaintiffs relied on GM's express warranties, which were a material part of the bargain, when purchasing or leasing their Class Vehicles.
 - 2715. Under the express Warranties, GM was obligated to correct the 522

Transmission Defect in the vehicles owned or leased by Tennessee Plaintiff and the Tennessee Sub-Class Members.

2716. Although GM was obligated to correct the Transmission Defect, none of the attempted fixes to the transmissions are adequate under the terms of the Warranties, as they did not cure the defect.

2717. GM breached the express Warranties by performing illusory repairs. Rather than repairing the vehicles pursuant to the express Warranties, GM falsely informed Tennessee Sub-Class Members that there was no problem with their Class Vehicles, performed ineffective procedures including software updates, and/or replaced defective components in the 8L90 and 8L45 transmissions with equally defective components, without actually repairing the Class Vehicles.

2718. GM and its agent dealers have failed and refused to conform the 8L90 and 8L45 transmissions to the express Warranties. GM's conduct, as discussed throughout this Complaint, has voided any attempt on its part to disclaim liability for its actions.

2719. Moreover, GM's attempt to disclaim or limit these express Warranties vis-à-vis consumers is unconscionable and unenforceable under the circumstances here. Specifically, GM's warranty limitation is unenforceable because it knowingly sold a defective product without informing consumers about the defect.

2720. The time limits contained in GM's warranty period were also unconscionable and inadequate to protect Tennessee Plaintiff and the Tennessee Sub-Class Members. Among other things, Tennessee Plaintiff and the Tennessee Sub-Class Members had no meaningful choice in determining these time limitations, the terms of which unreasonably favored GM. A gross disparity in bargaining power existed between GM and the Class members, and GM knew or should have known that the Class Vehicles were defective at the time of sale.

2721. Tennessee Plaintiff and the Tennessee Sub-Class Members have

complied with all obligations under the Warranties, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

- 2722. Tennessee Plaintiff and the Tennessee Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal and external sources.
- 2723. Because GM, through its conduct and exemplified by its own service bulletins, has covered repairs of the Transmission Defect if GM determines the repairs are appropriately covered under the Warranties, GM cannot now deny that the Warranties cover the Transmission Defect.
- 2724. Because GM has not been able to remedy the Transmission Defect, any limitation on remedies included in the Warranties causes the Warranties to fail their essential purposes, rendering these limitations null and void.
- 2725. As a direct and proximate cause of GM's breach, Tennessee Plaintiff and the Tennessee Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Tennessee Plaintiff and the Tennessee Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.
- 2726. As a direct and proximate result of GM's breach of express warranties, Tennessee Plaintiff and the Tennessee Sub-Class Members have been damaged in an amount to be determined at trial.

95. COUNT 95 BREACH OF THE IMPLIED WARRANTY OF MERCHANTABILITY TENN. CODE §§ 47-2-314 AND 47-2A-212

- 2727. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2728. Tennessee Plaintiff brings this cause of action on his own behalf and on behalf of the members of the Tennessee Sub-Class.
- 2729. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Tenn. Code §§ 47-2-104(1) and 47-2A-103(1)(t), and "seller" of motor vehicles under § 47-2-103(1)(d).
 - 2730. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Tenn. Code § 47-2A-103(1)(p).
- 2731. The Class Vehicles are and were at all relevant times "goods" within the meaning of Tenn. Code §§ 47-2-105(1) AND 47-2A-103(1)(h).
- 2732. A warranty that the Class Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used is implied by law pursuant to Tenn. Code §§ 47-2-314 and 47-2A-212.
- 2733. GM sold and/or leased Class Vehicles that were not in merchantable condition and/or fit for their ordinary purpose in violation of the implied warranty.
- 2734. GM knew or had reason to know of the specific use for which the Class Vehicles were purchased or leased. GM directly sold and marketed vehicles equipped with the 8L90 and 8L45 transmissions to customers through authorized dealers, like those from whom Tennessee Plaintiff and the Tennessee Sub-Class Members bought or leased their vehicles, for the intended purpose of consumers purchasing the vehicles. GM knew that the Class Vehicles would and did pass unchanged from the authorized dealers to Tennessee Plaintiff and the Tennessee Sub-Class Members, with no modification to the defective transmissions.

2735. GM provided Plaintiffs and Class Members with an implied warranty that the Class Vehicles and their components and parts are merchantable and fit for the ordinary purposes for which they were sold pursuant to Tenn. Code §§ 47-2-314 and 47-2A-212.

2736. This implied warranty included, among other things: (i) a warranty that the Class Vehicles and their transmissions that were manufactured, supplied, distributed, and/or sold by GM were safe and reliable for providing transportation; and (ii) a warranty that the Class Vehicles and their transmissions would be fit for their intended use while the Class Vehicles were being operated.

2737. Contrary to the applicable implied warranties, the Class Vehicles and their transmissions at the time of sale and thereafter were not fit for their ordinary and intended purpose of providing Plaintiffs and Class Members with reliable, durable, and safe transportation. Instead, the Class Vehicles are defective, including, but not limited to, the defective design or manufacture of their transmissions and the existence of the Transmission Defect at the time of sale or lease and thereafter. GM knew of this defect at the time these sale or lease transactions occurred.

2738. As a result of GM's breach of the applicable implied warranties, Tennessee Plaintiff and the Tennessee Sub-Class Members of the Class Vehicles suffered an ascertainable loss of money, property, and/or value of their Class Vehicles. Additionally, as a result of the Transmission Defect, Tennessee Plaintiff and the Tennessee Sub-Class Members were harmed and suffered actual damages in that the Class Vehicles' transmission components are substantially certain to fail before their expected useful life has run.

2739. GM's actions, as complained of herein, breached the implied warranty that the Class Vehicles were of merchantable quality and fit for such use in violation of Tenn. Code §§ 47-2- 314 and 47-2A-212.

- 2740. Tennessee Plaintiff and the Tennessee Sub-Class Members have complied with all obligations under the warranty, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.
- 2741. Tennessee Plaintiff and the Tennessee Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal sources.
- 2742. As a direct and proximate cause of GM's breach, Tennessee Plaintiff and the Tennessee Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Tennessee Plaintiff and the Tennessee Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.
- 2743. As a direct and proximate result of GM's breach of the implied warranty of merchantability, Tennessee Plaintiff and the Tennessee Sub-Class Members have been damaged in an amount to be proven at trial.

EE. Claims on Behalf of the Texas Sub-Class

96. COUNT 96 VIOLATION OF THE DECEPTIVE TRADE PRACTICES ACT – CONSUMER PROTECTION ACT TEXAS BUS. & COM. CODE § 17.41, ET SEQ.

- 2744. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2745. Plaintiffs Darrin Degrand, Marisella Gutierrez, Taurus King, and Howard Young ("Texas Plaintiffs") bring this cause of action on their own behalf

and on behalf of the members of the Texas Sub-Class.

2746. Texas Plaintiffs and the Texas Sub-Class Members are individuals, partnerships or corporations with assets of less than \$25 million (or are controlled by corporations or entities with less than \$25 million in assets), see Tex. Bus. & Com. Code § 17.41, and are therefore "consumers" pursuant to Tex. Bus. & Com. Code § 17.45(4).

2747. GM is a "person[s]" within the meaning of Tex. Bus. & Com. Code § 17.45(3).

2748. GM is engaged in "trade" or "commerce" or "consumer transactions" within the meaning Tex. Bus. & Com. Code § 17.46(a).

2749. The Texas Deceptive Trade Practices – Consumer Protection Act ("Texas DTPA") prohibits "false, misleading, or deceptive acts or practices in the conduct of any trade or commerce," Tex. Bus. & Com. Code § 17.46(a), and an "unconscionable action or course of action," which means "an act or practice which, to a consumer's detriment, takes advantage of the lack of knowledge, ability, experience, or capacity of the consumer to a grossly unfair degree." Tex. Bus. & Com. Code §§ 17.45(5) and 17.50(a)(3).

2750. GM participated in unfair or deceptive trade practices that violated the Texas DTPA as described below and alleged throughout the Complaint. By failing to disclose the Transmission Defect, by concealing the Transmission Defect, by marketing its vehicles as safe, reliable, easily operable, efficient, and of high quality, and by presenting itself as a reputable manufacturer that valued safety, cleanliness, performance and efficiency, and stood behind its vehicles after they were sold, GM knowingly and intentionally misrepresented and omitted material facts in connection with the sale or lease of the Class Vehicles. GM systematically misrepresented, concealed, suppressed, or omitted material facts relating to the Class Vehicles and Transmission Defect in the course of its business.

- 2751. GM also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale of the Class Vehicles.
- 2752. GM's unfair and deceptive acts or practices occurred repeatedly in GM's trade or business, were capable of deceiving a substantial portion of the purchasing public, and imposed a serious safety risk on the public.
- 2753. GM knew that the Class Vehicles and their transmissions suffered from an inherent defect, were defectively designed or manufactured, and were not suitable for their intended use.
- 2754. GM knew or should have known that its conduct violated the Texas DTPA.
- 2755. Texas Plaintiffs and the Texas Sub-Class Members reasonably relied on GM's misrepresentations and omissions of material facts in its advertisements of the Class Vehicles and in the purchase of the Class Vehicles.
- 2756. Had Texas Plaintiffs and the Texas Sub-Class Members known that the Class Vehicles would exhibit the Transmission Defect, they would not have purchased or leased the Class Vehicles, or would have paid less for them. Plaintiffs did not receive the benefit of their bargain as a result of GM's misconduct.
- 2757. GM owed Texas Plaintiffs and the Texas Sub-Class Members a duty to disclose the truth about the Transmission Defect because GM: (a) possessed exclusive knowledge of the Class Vehicles and the Transmission Defect; (b) intentionally concealed the foregoing from Texas Plaintiffs and the Texas Sub-Class Members; and/or (c) made incomplete representations regarding the quality and durability of the Class Vehicles, while purposefully withholding material facts from Texas Plaintiffs and the Texas Sub-Class Members that contradicted these representations.

2758. Due to GM's specific and superior knowledge that the transmissions in the Class Vehicles will fail due to the Transmission Defect, its false representations regarding the increased durability of the Class Vehicles, and reliance by Texas Plaintiffs and the Texas Sub-Class Members on these material representations, GM had a duty to disclose to Class members that the 8L90 and 8L45 transmissions will cause failure in Class Vehicles, that Class Vehicles do not have the expected durability, reliability, and/or safety over other vehicles or of their predecessor transmissions, that failure of the 8L90 and 8L45 transmissions will cause damage to Class Vehicle engines and engine systems, and that Class members would be required to bear the cost of the damage to their vehicles. Having volunteered to provide information to Texas Plaintiffs and the Texas Sub-Class Members, GM had the duty to disclose not just the partial truth, but the entire truth. These omitted and concealed facts were material because they directly impact the value of the Class Vehicles purchased or leased by Texas Plaintiffs and the Texas Sub-Class Members. Longevity, durability, performance, and safety are material concerns to GM truck consumers. GM represented to Texas Plaintiffs and the Texas Sub-Class Members that they were purchasing or leasing vehicles that were durable, reliable, safe, efficient, of high quality, and containing transmissions of advanced and superior characteristics and technology as alleged throughout this Complaint, when in fact it is only a matter of time before the transmissions fail due to the Transmission Defect.

2759. Texas Plaintiffs and the Texas Sub-Class Members suffered injury in fact to a legally protected interest. As a result of GM's conduct, Texas Plaintiffs and the Texas Sub-Class Members were harmed and suffered actual damages in the form of the diminished value of their vehicles.

2760. As a result of GM's conduct, Texas Plaintiffs and the Texas Sub-Class Members were harmed and suffered actual damages as a result of GM's misrepresentations and omissions with regard to their Class Vehicles' transmissions

because they purchased vehicles which do not perform as advertised.

- 2761. As a direct and proximate result of GM's unfair or deceptive acts or practices, Texas Plaintiffs and the Texas Sub-Class Members suffered and will continue to suffer injury in fact and/or actual damages.
- 2762. Defendant's violations present a continuing risk to Texas Plaintiffs and the Texas Sub-Class Members as well as to the general public. Defendant's unlawful acts and practices complained of herein affect the public interest.
- 2763. Pursuant to Tex. Bus. & Com. Code § 17.50, Texas Plaintiffs and the Texas Sub-Class Members seek an order enjoining GM unfair and/or deceptive acts or practices, damages, multiple damages for knowing and intentional violations, pursuant to § 17.50(b)(1), punitive damages, and attorneys' fees, costs, and any other just and proper relief available under the Texas DTPA.

97. COUNT 97 BREACH OF EXPRESS WARRANTY TEX. BUS. & COM. CODE §§ 2.313 AND 2A.210

- 2764. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2765. Texas Plaintiffs bring this cause of action on his own behalf and on behalf of the members of the Texas Sub-Class.
- 2766. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Texas Bus. & Com. Code §§ 2.104(1) and 2A.103(a)(20), and a "seller" of motor vehicles under § 2.103(a)(4).
- 2767. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Texas Bus. & Com. Code § 2A.103(a)(16).
- 2768. The Class Vehicles are and were at all relevant times "goods" within the meaning of Texas Bus. & Com. Code §§ 2.105(a) and 2A.103(a)(8).
 - 2769. GM provided all purchasers and lessees of the Class Vehicles with the

express warranty described herein, which became a material part of the bargain.

2770. GM provided all purchasers and lessees of Cadillac-branded Class Vehicles with the Cadillac Warranty and all purchasers and lessees of Chevrolet or GM-branded Class Vehicles with the Chevrolet/GM Warranty.

2771. Under the Warranties, GM expressly warranted the following: "The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Accordingly, the warranty covered all defects except for "slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Because the Transmission Defect does not fall into any of the above excluded categories, it is covered under GM's express warranty. GM agreed to provide such repairs "including towing, parts, and labor . . . at no charge" for up to 3 years or 36,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles and for up to 4 years or 50,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Bumper-to-Bumper Limited Warranties").

2772. Furthermore, under the Powertrain Component of the Warranties, GMC expressly warranted that the powertrain components listed therein, including the transmission and "all internally lubricated parts, case, torque converter, mounts, seals, and gaskets as well as any electrical components internal to the transmission/transaxle" and "any actuators directly connected to the transmission (slave cylinder, etc.)" are covered under the Warranties for up to 5 years or 60,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles, and for up to 6 years or 70,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Powertrain Warranties").

2773. GM manufactured and/or installed the 8L90 and 8L45 transmissions and the transmissions' component parts in the Class Vehicles, and the 8L90 and

8L45 transmissions and their component parts are covered by the express Warranties.

2774. The Transmission Defect at issue in this litigation was present at the time the Class Vehicles were sold or leased to Texas Plaintiffs and the Texas Sub-Class Members.

2775. Plaintiffs relied on GM's express warranties, which were a material part of the bargain, when purchasing or leasing their Class Vehicles.

2776. Under the express Warranties, GM was obligated to correct the Transmission Defect in the vehicles owned or leased by Texas Plaintiffs and the Texas Sub-Class Members.

2777. Although GM was obligated to correct the Transmission Defect, none of the attempted fixes to the transmissions are adequate under the terms of the Warranties, as they did not cure the defect.

2778. GM breached the express Warranties by performing illusory repairs. Rather than repairing the vehicles pursuant to the express Warranties, GM falsely informed Texas Sub-Class Members that there was no problem with their Class Vehicles, performed ineffective procedures including software updates, and/or replaced defective components in the 8L90 and 8L45 transmissions with equally defective components, without actually repairing the Class Vehicles.

2779. GM and its agent dealers have failed and refused to conform the 8L90 and 8L45 transmissions to the express Warranties. GM's conduct, as discussed throughout this Complaint, has voided any attempt on its part to disclaim liability for its actions.

2780. Moreover, GM's attempt to disclaim or limit these express Warranties vis-à-vis consumers is unconscionable and unenforceable under the circumstances here. Specifically, GM's warranty limitation is unenforceable because it knowingly sold a defective product without informing consumers about the defect.

- 2781. The time limits contained in GM's warranty period were also unconscionable and inadequate to protect Texas Plaintiffs and the Texas Sub-Class Members. Among other things, Texas Plaintiffs and the Texas Sub-Class Members had no meaningful choice in determining these time limitations, the terms of which unreasonably favored GM. A gross disparity in bargaining power existed between GM and the Class members, and GM knew or should have known that the Class Vehicles were defective at the time of sale.
- 2782. Texas Plaintiffs and the Texas Sub-Class Members have complied with all obligations under the Warranties, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.
- 2783. Texas Plaintiffs and the Texas Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal and external sources.
- 2784. Because GM, through its conduct and exemplified by its own service bulletins, has covered repairs of the Transmission Defect if GM determines the repairs are appropriately covered under the Warranties, GM cannot now deny that the Warranties cover the Transmission Defect.
- 2785. Because GM has not been able to remedy the Transmission Defect, any limitation on remedies included in the Warranties causes the Warranties to fail their essential purposes, rendering them null and void.
- 2786. As a direct and proximate cause of GM's breach, Texas Plaintiffs and the Texas Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of

their Class Vehicles. Additionally, Texas Plaintiffs and the Texas Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.

2787. As a direct and proximate result of GM's breach of express warranties, Texas Plaintiffs and the Texas Sub-Class Members have been damaged in an amount to be determined at trial.

98.COUNT 98 BREACH OF IMPLIED WARRANTY OF MERCHANTABILITY TEX. BUS. & COM. CODE §§ 2.314 AND 2A.212

- 2788. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2789. Texas Plaintiffs bring this cause of action on his own behalf and on behalf of the members of the Texas Sub-Class.
- 2790. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Texas Bus. & Com. Code §§ 2.104(1) and 2A.103(a)(20), and a "seller" of motor vehicles under § 2.103(a)(4).
- 2791. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Texas Bus. & Com. Code § 2A.103(a)(16).
- 2792. The Class Vehicles are and were at all relevant times "goods" within the meaning of Texas Bus. & Com. Code §§ 2.105(a) and 2A.103(a)(8).
- 2793. A warranty that the Class Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used is implied by law under Texas Bus. & Com. Code §§ 2.314 and 2A.212
- 2794. GM knew or had reason to know of the specific use for which the Class Vehicles were purchased or leased. GM directly sold and marketed vehicles equipped with the 8L90 and 8L45 transmissions to customers through authorized

dealers, like those from whom Texas Plaintiffs and the Texas Sub-Class Members bought or leased their vehicles, for the intended purpose of consumers purchasing the vehicles. GM knew that the Class Vehicles would and did pass unchanged from the authorized dealers to Texas Plaintiffs and the Texas Sub-Class Members, with no modification to the defective transmissions.

2795. GM provided Plaintiffs and Class Members with an implied warranty that the Class Vehicles and their components and parts are merchantable and fit for the ordinary purposes for which they were sold.

2796. This implied warranty included, among other things: (i) a warranty that the Class Vehicles and their transmissions that were manufactured, supplied, distributed, and/or sold by GM were safe and reliable for providing transportation; and (ii) a warranty that the Class Vehicles and their transmissions would be fit for their intended use while the Class Vehicles were being operated.

2797. Contrary to the applicable implied warranties, the Class Vehicles and their transmissions at the time of sale and thereafter were not fit for their ordinary and intended purpose of providing Plaintiffs and Class Members with reliable, durable, and safe transportation. Instead, the Class Vehicles are defective, including, but not limited to, the defective design or manufacture of their transmissions and the existence of the Transmission Defect at the time of sale or lease and thereafter. GM knew of this defect at the time these sale or lease transactions occurred.

2798. As a result of GM's breach of the applicable implied warranties, Texas Plaintiffs and the Texas Sub-Class Members of the Class Vehicles suffered an ascertainable loss of money, property, and/or value of their Class Vehicles. Additionally, as a result of the Transmission Defect, Texas Plaintiffs and the Texas Sub-Class Members were harmed and suffered actual damages in that the Class Vehicles' transmission components are substantially certain to fail before their expected useful life has run.

2799. GM's actions, as complained of herein, breached the implied warranty that the Class Vehicles were of merchantable quality and fit for such use in violation of Texas Bus. & Com. Code §§ 2.314 and 2A.212

2800. Texas Plaintiffs and the Texas Sub-Class Members have complied with all obligations under the warranty, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

2801. Texas Plaintiffs and the Texas Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal sources.

2802. As a direct and proximate cause of GM's breach, Texas Plaintiffs and the Texas Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Texas Plaintiffs and the Texas Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.

2803. As a direct and proximate result of GM's breach of the implied warranty of merchantability, Texas Plaintiffs and the Texas Sub-Class Members have been damaged in an amount to be proven at trial.

FF. Claims on Behalf of the Washington Sub-Class

99. COUNT 99 VIOLATION OF THE WASHINGTON CONSUMER PROTECTION ACT WASH REV. CODE § 19.86.010, *ET SEQ*.

2804. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.

2805. Plaintiff Nicollette Covey ("Washington Plaintiff") brings this cause of action on his own behalf and on behalf of the members of the Washington Sub-Class.

2806. Washington Plaintiff, the Washington Sub-Class Members, and GM are "persons" within the meaning of Wash. Rev. Code § 19.86.010(2).

2807. GM committed the acts complained of herein in the course of "trade" or "commerce" within the meaning of Wash. Rev. Code § 19.96.010.

2808. The Washington Consumer Protection Act ("Washington CPA") broadly prohibits "[u]nfair methods of competition and unfair or deceptive acts or practices in the conduct of any trade or commerce." Wash. Rev. Code § 19.86.020.

2809. GM participated in deceptive trade practices that violated the Washington CPA as described below and alleged throughout the Complaint. By failing to disclose the Transmission Defect, by concealing the Transmission Defect, by marketing its vehicles as safe, reliable, easily operable, efficient, and of high quality, and by presenting itself as a reputable manufacturer that valued safety, cleanliness, performance and efficiency, and stood behind its vehicles after they were sold, GM knowingly and intentionally misrepresented and omitted material facts in connection with the sale or lease of the Class Vehicles. GM systematically misrepresented, concealed, suppressed, or omitted material facts relating to the Class Vehicles and Transmission Defect in the course of its business.

2810. By systematically devaluing safety and concealing a plethora of defects in the 8L90 and 8L45 Transmissions and the Class Vehicles, GM engaged in unfair or deceptive practices prohibited by the Washington CPA, including: (1) representing that the 8L90 and 8L45 Transmissions and the Class Vehicles have characteristics, uses, benefits, and qualities which they do not have; (2) representing that the 8L90 and 8L45 Transmissions and the Class Vehicles are of a particular standard, quality, and grade when they are not; and (3) advertising the 8L90 and 8L45 Transmissions and the Class Vehicles with the intent not to sell them as

advertised.

- 2811. GM also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale of the Class Vehicles.
- 2812. GM's unfair and deceptive acts or practices occurred repeatedly in GM's trade or business, were capable of deceiving a substantial portion of the purchasing public, and imposed a serious safety risk on the public.
- 2813. GM knew that the Class Vehicles and their transmissions suffered from an inherent defect, were defectively designed or manufactured, and were not suitable for their intended use.
- 2814. GM knew or should have known that its conduct violated the Washington CPA.
- 2815. Washington Plaintiff and the Washington Sub-Class Members reasonably relied on GM's misrepresentations and omissions of material facts in its advertisements of the Class Vehicles and in the purchase of the Class Vehicles.
- 2816. Had Washington Plaintiff and the Washington Sub-Class Members known that the Class Vehicles would exhibit the Transmission Defect, they would not have purchased or leased the Class Vehicles, or would have paid less for them. Plaintiffs did not receive the benefit of their bargain as a result of GM's misconduct.
- 2817. Washington Plaintiff and the Washington Sub-Class Members suffered injury in fact to a legally protected interest. As a result of GM's conduct, Washington Plaintiff and the Washington Sub-Class Members were harmed and suffered actual damages in the form of the diminished value of their vehicles.
- 2818. As a result of GM's conduct, Washington Plaintiff and the Washington Sub-Class Members were harmed and suffered actual damages as a result of GM's misrepresentations and omissions with regard to their Class Vehicles' transmissions

because they purchased vehicles which do not perform as advertised.

- 2819. As a direct and proximate result of GM's unfair or deceptive acts or practices, Washington Plaintiff and the Washington Sub-Class Members suffered and will continue to suffer injury in fact and/or actual damages.
- 2820. GM is liable to Washington Plaintiff and the Washington Sub-Class for damages in amounts to be proven at trial, including punitive damages, attorneys' fees, costs, and any other remedies the Court may deem appropriate under Wash. Rev. Code § 19.86.090. Because GM's actions were willful and knowing, Plaintiffs' damages should be trebled.

100. COUNT 100 BREACH OF EXPRESS WARRANTY WASH. REV. CODE §§ 62A.2-313 AND 62A.2A-210

- 2821. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2822. Washington Plaintiff brings this cause of action on his own behalf and on behalf of the members of the Washington Sub-Class.
- 2823. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Wash. Rev. Code §§ 62A.2-104(1) and 62A.2A-103(1)(t), and a "seller" of motor vehicles under § 2.103(a)(4).
- 2824. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Wash. Rev. Code § 62A.2A-103(1)(p).
- 2825. The Class Vehicles are and were at all relevant times "goods" within the meaning of Wash. Rev. Code §§ 62A.2-105(1) and 62A.2A-103(1)(h).
- 2826. GM provided all purchasers and lessees of the Class Vehicles with the express warranty described herein, which became a material part of the bargain.
 - 2827. GM provided all purchasers and lessees of Cadillac-branded Class

Vehicles with the Cadillac Warranty and all purchasers and lessees of Chevrolet or GM-branded Class Vehicles with the Chevrolet/GM Warranty.

2828. Under the Warranties, GM expressly warranted the following: "The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Accordingly, the warranty covered all defects except for "slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Because the Transmission Defect does not fall into any of the above excluded categories, it is covered under GM's express warranty. GM agreed to provide such repairs "including towing, parts, and labor . . . at no charge" for up to 3 years or 36,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles and for up to 4 years or 50,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Bumper-to-Bumper Limited Warranties").

2829. Furthermore, under the Powertrain Component of the Warranties, GMC expressly warranted that the powertrain components listed therein, including the transmission and "all internally lubricated parts, case, torque converter, mounts, seals, and gaskets as well as any electrical components internal to the transmission/transaxle" and "any actuators directly connected to the transmission (slave cylinder, etc.)" are covered under the Warranties for up to 5 years or 60,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles, and for up to 6 years or 70,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Powertrain Warranties").

2830. GM manufactured and/or installed the 8L90 and 8L45 transmissions and the transmissions' component parts in the Class Vehicles, and the 8L90 and 8L45 transmissions and their component parts are covered by the express Warranties.

- 2831. The Transmission Defect at issue in this litigation was present at the time the Class Vehicles were sold or leased to Washington Plaintiff and the Washington Sub-Class Members.
- 2832. Plaintiffs relied on GM's express warranties, which were a material part of the bargain, when purchasing or leasing their Class Vehicles.
- 2833. Under the express Warranties, GM was obligated to correct the Transmission Defect in the vehicles owned or leased by Washington Plaintiff and the Washington Sub-Class Members.
- 2834. Although GM was obligated to correct the Transmission Defect, none of the attempted fixes to the transmissions are adequate under the terms of the Warranties, as they did not cure the defect.
- 2835. GM breached the express Warranties by performing illusory repairs. Rather than repairing the vehicles pursuant to the express Warranties, GM falsely informed Washington Sub-Class Members that there was no problem with their Class Vehicles, performed ineffective procedures including software updates, and/or replaced defective components in the 8L90 and 8L45 transmissions with equally defective components, without actually repairing the Class Vehicles.
- 2836. GM and its agent dealers have failed and refused to conform the 8L90 and 8L45 transmissions to the express Warranties. GM's conduct, as discussed throughout this Complaint, has voided any attempt on its part to disclaim liability for its actions.
- 2837. Moreover, GM's attempt to disclaim or limit these express Warranties vis-à-vis consumers is unconscionable and unenforceable under the circumstances here. Specifically, GM's warranty limitation is unenforceable because it knowingly sold a defective product without informing consumers about the defect.
- 2838. The time limits contained in GM's warranty period were also unconscionable and inadequate to protect Washington Plaintiff and the Washington

Sub-Class Members. Among other things, Washington Plaintiff and the Washington Sub-Class Members had no meaningful choice in determining these time limitations, the terms of which unreasonably favored GM. A gross disparity in bargaining power existed between GM and the Class members, and GM knew or should have known that the Class Vehicles were defective at the time of sale.

- 2839. Washington Plaintiff and the Washington Sub-Class Members have complied with all obligations under the Warranties, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.
- 2840. Washington Plaintiff and the Washington Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal and external sources.
- 2841. Because GM, through its conduct and exemplified by its own service bulletins, has covered repairs of the Transmission Defect if GM determines the repairs are appropriately covered under the Warranties, GM cannot now deny that the Warranties cover the Transmission Defect.
- 2842. Because GM has not been able remedyable to remedy the Transmission Defect, any limitation on remedies included in the Warranties causes the Warranties to fail their essential purposes, rendering them null and void.
- 2843. As a direct and proximate cause of GM's breach, Washington Plaintiff and the Washington Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Washington Plaintiff and the Washington Sub-Class Members have incurred or will incur economic damages at

the point of repair in the form of the cost of repair.

2844. As a direct and proximate result of GM's breach of express warranties, Washington Plaintiff and the Washington Sub-Class Members have been damaged in an amount to be determined at trial.

101. COUNT 101 BREACH OF THE IMPLIED WARRANTY OF MERCHANTABILITY WASH. REV. CODE §§ 62A.2-314 AND 62A.2A-212

- 2845. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2846. Washington Plaintiff brings this cause of action on his own behalf and on behalf of the members of the Washington Sub-Class.
- 2847. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Wash. Rev. Code §§ 62A.2-104(1) and 62A.2A-103(1)(t), and a "seller" of motor vehicles under § 2.103(a)(4).
- 2848. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Wash. Rev. Code § 62A.2A-103(1)(p).
- 2849. The Class Vehicles are and were at all relevant times "goods" within the meaning of Wash. Rev. Code §§ 62A.2-105(1) and 62A.2A-103(1)(h).
- 2850. A warranty that the Class Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used is implied by law under Wash. Rev. Code §§ 62A.2-314 and 62A.2A-212.
- 2851. GM knew or had reason to know of the specific use for which the Class Vehicles were purchased or leased. GM directly sold and marketed vehicles equipped with the 8L90 and 8L45 transmissions to customers through authorized dealers, like those from whom Washington Plaintiff and the Washington Sub-Class Members bought or leased their vehicles, for the intended purpose of consumers

purchasing the vehicles. GM knew that the Class Vehicles would and did pass unchanged from the authorized dealers to Washington Plaintiff and the Washington Sub-Class Members, with no modification to the defective transmissions.

2852. GM provided Plaintiffs and Class Members with an implied warranty that the Class Vehicles and their components and parts are merchantable and fit for the ordinary purposes for which they were sold.

2853. This implied warranty included, among other things: (i) a warranty that the Class Vehicles and their transmissions that were manufactured, supplied, distributed, and/or sold by GM were safe and reliable for providing transportation; and (ii) a warranty that the Class Vehicles and their transmissions would be fit for their intended use while the Class Vehicles were being operated.

2854. Contrary to the applicable implied warranties, the Class Vehicles and their transmissions at the time of sale and thereafter were not fit for their ordinary and intended purpose of providing Plaintiffs and Class Members with reliable, durable, and safe transportation. Instead, the Class Vehicles are defective, including, but not limited to, the defective design or manufacture of their transmissions and the existence of the Transmission Defect at the time of sale or lease and thereafter. GM knew of this defect at the time these sale or lease transactions occurred.

2855. As a result of GM's breach of the applicable implied warranties, Washington Plaintiff and the Washington Sub-Class Members of the Class Vehicles suffered an ascertainable loss of money, property, and/or value of their Class Vehicles. Additionally, as a result of the Transmission Defect, Washington Plaintiff and the Washington Sub-Class Members were harmed and suffered actual damages in that the Class Vehicles' transmission components are substantially certain to fail before their expected useful life has run.

2856. GM's actions, as complained of herein, breached the implied warranty that the Class Vehicles were of merchantable quality and fit for such use in violation

of Wash. Rev. Code §§ 62A.2-314 and 62A.2A-212.

2857. Washington Plaintiff and the Washington Sub-Class Members have complied with all obligations under the warranty, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

2858. Washington Plaintiff and the Washington Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal sources.

2859. As a direct and proximate cause of GM's breach, Washington Plaintiff and the Washington Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Washington Plaintiff and the Washington Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.

2860. As a direct and proximate result of GM's breach of the implied warranty of merchantability, Washington Plaintiff and the Washington Sub-Class Members have been damaged in an amount to be proven at trial.

GG. Claims on Behalf of the Wisconsin Sub-Class

102. COUNT 102 VIOLATION OF THE WISCONSIN DECEPTIVE TRADE PRACTICES ACT WIS. STAT. §§ 110.18

- 2861. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
 - 2862. Plaintiff Phil Houk ("Wisconsin Plaintiff") brings this cause of action

on his own behalf and on behalf of the members of the Wisconsin Sub-Class.

2863. GM is a "person, firm, corporation or association" within the meaning of Wis. Stat. § 100.18(1).

2864. Wisconsin Plaintiff and the Wisconsin Sub-Class members are members of "the public" within the meaning of Wis. Stat. § 100.18(1). Wisconsin Plaintiff and the Wisconsin Sub-Class purchased or leased one or more Class Vehicles in Wisconsin.

2865. The Wisconsin Deceptive Trade Practices Act ("Wisconsin DTPA") prohibits an "assertion, representation or statement of fact which is untrue, deceptive or misleading." Wis. Stat. § 100.18(1). By systematically concealing the defects in the Class Vehicles, GM's conduct, acts, and practices violated the Wisconsin DTPA.

2866. GM participated in misleading, false, or deceptive acts that violated the Wisconsin DTPA as described below and alleged throughout the Complaint. By failing to disclose the Transmission Defect, by concealing the Transmission Defect, by marketing its vehicles as safe, reliable, easily operable, efficient, and of high quality, and by presenting itself as a reputable manufacturer that valued safety, cleanliness, performance and efficiency, and stood behind its vehicles after they were sold, GM knowingly and intentionally misrepresented and omitted material facts in connection with the sale or lease of the Class Vehicles. GM systematically misrepresented, concealed, suppressed, or omitted material facts relating to the Class Vehicles and Transmission Defect in the course of its business.

2867. GM also engaged in unlawful trade practices by employing deception, deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale of the Class Vehicles.

2868. GM's unfair and deceptive acts or practices occurred repeatedly in GM's trade or business, were capable of deceiving a substantial portion of the

purchasing public, and imposed a serious safety risk on the public.

2869. GM knew that the Class Vehicles and their transmissions suffered from an inherent defect, were defectively designed or manufactured, and were not suitable for their intended use.

2870. GM knew or should have known that its conduct violated the Wisconsin DTPA.

2871. Wisconsin Plaintiff and the Wisconsin Sub-Class Members reasonably relied on GM's misrepresentations and omissions of material facts in its advertisements of the Class Vehicles and in the purchase of the Class Vehicles.

2872. Had Wisconsin Plaintiff and the Wisconsin Sub-Class Members known that the Class Vehicles would exhibit the Transmission Defect, they would not have purchased or leased the Class Vehicles, or would have paid less for them. Plaintiffs did not receive the benefit of their bargain as a result of GM's misconduct.

2873. GM owed Wisconsin Plaintiff and the Wisconsin Sub-Class Members a duty to disclose the truth about the Transmission Defect because GM: (a) possessed exclusive knowledge of the Class Vehicles and the Transmission Defect; (b) intentionally concealed the foregoing from Wisconsin Plaintiff and the Wisconsin Sub-Class Members; and/or (c) made incomplete representations regarding the quality and durability of the Class Vehicles, while purposefully withholding material facts from Wisconsin Plaintiff and the Wisconsin Sub-Class Members that contradicted these representations.

2874. Due to GM's specific and superior knowledge that the transmissions in the Class Vehicles will fail due to the Transmission Defect, its false representations regarding the increased durability of the Class Vehicles, and reliance by Wisconsin Plaintiff and the Wisconsin Sub-Class Members on these material representations, GM had a duty to disclose to Class members that the 8L90 and 8L45 transmissions will cause failure in Class Vehicles, that Class Vehicles do not have the expected

durability, reliability, and/or safety over other vehicles or of their predecessor transmissions, that failure of the 8L90 and 8L45 transmissions will cause damage to Class Vehicle engines and engine systems, and that Class members would be required to bear the cost of the damage to their vehicles. Having volunteered to provide information to Wisconsin Plaintiff and the Wisconsin Sub-Class Members, GM had the duty to disclose not just the partial truth, but the entire truth. These omitted and concealed facts were material because they directly impact the value of the Class Vehicles purchased or leased by Wisconsin Plaintiff and the Wisconsin Sub-Class Members. Longevity, durability, performance, and safety are material concerns to GM truck consumers. GM represented to Wisconsin Plaintiff and the Wisconsin Sub-Class Members that they were purchasing or leasing vehicles that were durable, reliable, safe, efficient, of high quality, and containing transmissions of advanced and superior characteristics and technology as alleged throughout this Complaint, when in fact it is only a matter of time before the transmissions fail due to the Transmission Defect.

2875. Wisconsin Plaintiff and the Wisconsin Sub-Class Members suffered injury in fact to a legally protected interest. As a result of GM's conduct, Wisconsin Plaintiff and the Wisconsin Sub-Class Members were harmed and suffered actual damages in the form of the diminished value of their vehicles.

2876. As a result of GM's conduct Wisconsin Plaintiff and the Wisconsin Sub-Class Members were harmed and suffered actual damages as a result of GM's misrepresentations and omissions with regard to their Class Vehicles' transmissions because they purchased vehicles which do not perform as advertised.

2877. As a direct and proximate result of GM's unfair or deceptive acts or practices, Wisconsin Plaintiff and the Wisconsin Sub-Class Members suffered and will continue to suffer injury in fact and/or actual damages.

2878. Defendant's violations present a continuing risk to Wisconsin Plaintiff

and the Wisconsin Sub-Class Members as well as to the general public. Defendant's unlawful acts and practices complained of herein affect the public interest.

2879. The Wisconsin Deceptive Trade Practices Act ("Wisconsin DTPA") prohibits an "assertion, representation or statement of fact which is untrue, deceptive or misleading." Wis. Stat. § 100.18(1). By systematically concealing the defects in the Class Vehicles, GM's conduct, acts, and practices violated the Wisconsin DTPA.

2880. Plaintiffs and Wisconsin Class members seek actual damages, court costs, attorneys' fees, and other relief provided for under Wis. Stat. § 100.18(11)(b)(2). Because GM's conduct was committed knowingly and/or intentionally, Plaintiffs and Wisconsin Class members are entitled to treble damages and any other such relief necessary to deter GM's unlawful conduct in the future.

103. COUNT 103 BREACH OF EXPRESS WARRANTY WIS. STAT. §§ 402.313 AND 411.210

- 2881. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2882. Wisconsin Plaintiff brings this cause of action on his own behalf and on behalf of the members of the Wisconsin Sub-Class.
- 2883. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Wis. Stat. §§ 402.104(3) and 411.103(1)(t), and a "seller" of motor vehicles under § 402.103(1)(d).
- 2884. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Wis. Stat. § 411.103(1)(p).
- 2885. The Class Vehicles are and were at all relevant times "goods" within the meaning of Wis. Stat. §§ 402.105(1)(c) and 411.103(1)(h).

2886. GM provided all purchasers and lessees of the Class Vehicles with the express warranty described herein, which became a material part of the bargain.

2887. GM provided all purchasers and lessees of Cadillac-branded Class Vehicles with the Cadillac Warranty and all purchasers and lessees of Chevrolet or GM-branded Class Vehicles with the Chevrolet/GM Warranty.

2888. Under the Warranties, GM expressly warranted the following: "The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Accordingly, the warranty covered all defects except for "slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period." Because the Transmission Defect does not fall into any of the above excluded categories, it is covered under GM's express warranty. GM agreed to provide such repairs "including towing, parts, and labor . . . at no charge" for up to 3 years or 36,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles and for up to 4 years or 50,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Bumper-to-Bumper Limited Warranties").

2889. Furthermore, under the Powertrain Component of the Warranties, GMC expressly warranted that the powertrain components listed therein, including the transmission and "all internally lubricated parts, case, torque converter, mounts, seals, and gaskets as well as any electrical components internal to the transmission/transaxle" and "any actuators directly connected to the transmission (slave cylinder, etc.)" are covered under the Warranties for up to 5 years or 60,000 miles, whichever comes first, for Chevrolet or GM-branded Class Vehicles, and for up to 6 years or 70,000 miles, whichever comes first, for Cadillac-branded Class Vehicles (the "Powertrain Warranties").

- 2890. GM manufactured and/or installed the 8L90 and 8L45 transmissions and the transmissions' component parts in the Class Vehicles, and the 8L90 and 8L45 transmissions and their component parts are covered by the express Warranties.
- 2891. The Transmission Defect at issue in this litigation was present at the time the Class Vehicles were sold or leased to Wisconsin Plaintiff and the Wisconsin Sub-Class Members.
- 2892. Plaintiffs relied on GM's express warranties, which were a material part of the bargain, when purchasing or leasing their Class Vehicles.
- 2893. Under the express Warranties, GM was obligated to correct the Transmission Defect in the vehicles owned or leased by Wisconsin Plaintiff and the Wisconsin Sub-Class Members.
- 2894. Although GM was obligated to correct the Transmission Defect, none of the attempted fixes to the transmissions are adequate under the terms of the Warranties, as they did not cure the defect.
- 2895. GM breached the express Warranties by performing illusory repairs. Rather than repairing the vehicles pursuant to the express Warranties, GM falsely informed Wisconsin Sub-Class Members that there was no problem with their Class Vehicles, performed ineffective procedures including software updates, and/or replaced defective components in the 8L90 and 8L45 transmissions with equally defective components, without actually repairing the Class Vehicles.
- 2896. GM and its agent dealers have failed and refused to conform the 8L90 and 8L45 transmissions to the express Warranties. GM's conduct, as discussed throughout this Complaint, has voided any attempt on its part to disclaim liability for its actions.
- 2897. Moreover, GM's attempt to disclaim or limit these express Warranties vis-à-vis consumers is unconscionable and unenforceable under the circumstances

here. Specifically, GM's warranty limitation is unenforceable because it knowingly sold a defective product without informing consumers about the defect.

2898. The time limits contained in GM's warranty period were also unconscionable and inadequate to protect Wisconsin Plaintiff and the Wisconsin Sub-Class Members. Among other things, Wisconsin Plaintiff and the Wisconsin Sub-Class Members had no meaningful choice in determining these time limitations, the terms of which unreasonably favored GM. A gross disparity in bargaining power existed between GM and the Class members, and GM knew or should have known that the Class Vehicles were defective at the time of sale.

2899. Wisconsin Plaintiff and the Wisconsin Sub-Class Members have complied with all obligations under the Warranties, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

2900. Wisconsin Plaintiff and the Wisconsin Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal and external sources.

2901. Because GM, through its conduct and exemplified by its own service bulletins, has covered repairs of the Transmission Defect if GM determines the repairs are appropriately covered under the Warranties, GM cannot now deny that the Warranties cover the Transmission Defect.

2902. Because GM has not been able to remedy the Transmission Defect, any limitation on remedies included in the Warranties causes the Warranties to fail their essential purposes, rendering them null and void.

2903. As a direct and proximate cause of GM's breach, Wisconsin Plaintiff and the Wisconsin Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Wisconsin Plaintiff and the Wisconsin Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.

2904. As a direct and proximate result of GM's breach of express warranties, Wisconsin Plaintiff and the Wisconsin Sub-Class Members have been damaged in an amount to be determined at trial.

104. COUNT 104 BREACH OF IMPLIED WARRANTY OF MERCHANTABILITY WIS. STAT. §§ 402.314 AND 411.212

- 2905. Plaintiffs incorporate by reference and re-allege the allegations contained in paragraphs 1-950 of this Complaint.
- 2906. Wisconsin Plaintiff brings this cause of action on his own behalf and on behalf of the members of the Wisconsin Sub-Class.
- 2907. GM is and was at all relevant times a "merchant" with respect to motor vehicles under Wis. Stat. §§ 402.104(3) and 411.103(1)(t), and a "seller" of motor vehicles under § 402.103(1)(d).
- 2908. With respect to leases, GM is and was at all relevant times a "lessor" of motor vehicles under Wis. Stat. § 411.103(1)(p).
- 2909. The Class Vehicles are and were at all relevant times "goods" within the meaning of Wis. Stat. §§ 402.105(1)(c) and 411.103(1)(h).
- 2910. A warranty that the Class Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used is implied by law under Wis. Stat. §§ 402.314 and 411.212

- 2911. GM knew or had reason to know of the specific use for which the Class Vehicles were purchased or leased. GM directly sold and marketed vehicles equipped with the 8L90 and 8L45 transmissions to customers through authorized dealers, like those from whom Wisconsin Plaintiff and the Wisconsin Sub-Class Members bought or leased their vehicles, for the intended purpose of consumers purchasing the vehicles. GM knew that the Class Vehicles would and did pass unchanged from the authorized dealers to Wisconsin Plaintiff and the Wisconsin Sub-Class Members, with no modification to the defective transmissions.
- 2912. GM provided Plaintiffs and Class Members with an implied warranty that the Class Vehicles and their components and parts are merchantable and fit for the ordinary purposes for which they were sold.
- 2913. This implied warranty included, among other things: (i) a warranty that the Class Vehicles and their transmissions that were manufactured, supplied, distributed, and/or sold by GM were safe and reliable for providing transportation; and (ii) a warranty that the Class Vehicles and their transmissions would be fit for their intended use while the Class Vehicles were being operated.
- 2914. Contrary to the applicable implied warranties, the Class Vehicles and their transmissions at the time of sale and thereafter were not fit for their ordinary and intended purpose of providing Plaintiffs and Class Members with reliable, durable, and safe transportation. Instead, the Class Vehicles are defective, including, but not limited to, the defective design or manufacture of their transmissions and the existence of the Transmission Defect at the time of sale or lease and thereafter. GM knew of this defect at the time these sale or lease transactions occurred.
- 2915. As a result of GM's breach of the applicable implied warranties, Wisconsin Plaintiff and the Wisconsin Sub-Class Members of the Class Vehicles suffered an ascertainable loss of money, property, and/or value of their Class Vehicles. Additionally, as a result of the Transmission Defect, Wisconsin Plaintiff

and the Wisconsin Sub-Class Members were harmed and suffered actual damages in that the Class Vehicles' transmission components are substantially certain to fail before their expected useful life has run.

2916. GM's actions, as complained of herein, breached the implied warranty that the Class Vehicles were of merchantable quality and fit for such use in violation of Wis. Stat. §§ 402.314 and 411.21.

2917. Wisconsin Plaintiff and the Wisconsin Sub-Class Members have complied with all obligations under the warranty, or otherwise have been excused from performance of said obligations as a result of GM's conduct described herein.

2918. Wisconsin Plaintiff and the Wisconsin Sub-Class Members were not required to notify GM of the breach because affording GM a reasonable opportunity to cure its breach of written warranty would have been futile. GM was also on notice of the Transmission Defect from the complaints and service requests it received from Plaintiffs and the Class Members, from repairs and/or replacements of the transmissions or components thereof, and through other internal sources.

2919. As a direct and proximate cause of GM's breach, Wisconsin Plaintiff and the Wisconsin Sub-Class Members suffered damages and continue to suffer damages, including economic damages at the point of sale or lease and diminution of value of their Class Vehicles. Additionally, Wisconsin Plaintiff and the Wisconsin Sub-Class Members have incurred or will incur economic damages at the point of repair in the form of the cost of repair.

2920. As a direct and proximate result of GM's breach of the implied warranty of merchantability, Wisconsin Plaintiff and the Wisconsin Sub-Class Members have been damaged in an amount to be proven at trial.

REQUEST FOR RELIEF

WHEREFORE, Plaintiffs on behalf of themselves, and all others similarly situated, requests the Court to enter judgment against GM, as follows:

- A. An order certifying the proposed Class and Sub-Classes pursuant to Federal Rule of Civil Procedure 23, designating Plaintiffs as named representatives of the Class and their representative Sub-Classes, and designating the undersigned as Class Counsel for the Class and Sub-Classes;
- B. A declaration that Defendant is financially responsible for notifying all members of the Classes about the defective nature of the GM 8L45 and 8L90 transmission, any repair or replacement available to remedy the defect and/or the need for periodic maintenance
- C. A declaration that Defendant is financially responsible for all Class notice and the administration of Class relief.
- D. An order enjoining Defendant from further deceptive distribution, sales, and lease practices with respect to the Class Vehicles, and to remove and replace Plaintiffs and Class Members' transmissions with a suitable alternative product; enjoining Defendant from selling the Class Vehicles with the misleading information and defective transmissions; compelling Defendant to provide members of the Classes with a replacement transmission that does not contain the defects alleged herein; and/or compelling Defendant to reform its warranty, in a manner deemed to be appropriate by the Court, to cover the injury alleged at no cost to members of the Classes and to notify all members of the Classes that such warranty has been reformed
- E. A declaration requiring Defendant to comply with the various provisions of the state and federal consumer protection statutes herein alleged and to make all the required disclosures;

- F. A declaration that Defendant is required to engage in corrective advertising, including notifying all members of the Classes not to drive Class Vehicles until they have been repaired and providing information regarding the timeline for repair or replacement of the defective transmissions in all Class Vehicles
- G. An award to Plaintiffs and members of the Classes for actual, compensatory, exemplary, and statutory damages, including interest, including damages for economic loss including loss of the benefit of the bargain, overpayment damages, diminished value and out-of-pocket losses, and including the additional purchase cost of the GM 8L45 or 8L90 Transmission option, in an amount to be proven at trial
- H. Any and all remedies provided pursuant to the state and federal consumer protection statutes herein alleged, including any applicable statutory and civil penalties;
- I. A declaration that Defendant must disgorge, for the benefit of the Class, all or part of the ill-gotten profits it received from the sale or lease of the Class Vehicles, or make full restitution to Plaintiffs and members of the Classes;
 - J. An award of attorneys' fees and costs, as allowed by law;
- K. An award of pre-judgment and post-judgment interest on any amounts awarded, as provided by law;
- L. Leave to amend the Complaint to conform to the evidence produced at trial:
- M. Plaintiffs demand that GM perform a recall, and repair all Class Vehicles at no expense to Plaintiffs and members of the Classes; and
- N. Granting such other and further relief as the Court deems just and proper.

JURY TRIAL DEMANDED

Pursuant to Federal Rule of Civil Procedure 38(c), Plaintiffs demand a trial by jury of any and all issues in this action so triable.

Dated: September 30, 2019 Respectfully submitted,

/s/ Theodore Leopold

Theodore J. Leopold

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EXHIBIT 1

10-K 1 gm201810k.htm 10-K

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, DC 20549-1004

Form 10-K

| FORIII 10 | -N |
|---|---|
| ☑ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) O | OF THE SECURITIES EXCHANGE ACT OF 1934 |
| For the fiscal year ended December 31, 2018 | |
| OR | |
| $\hfill\Box$ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 | 6(d) OF THE SECURITIES EXCHANGE ACT OF 1934 |
| For the transition period from to | |
| Commission file num | ber 001-34960 |
| GENERAL MOTO | RS COMPANY |
| (Exact name of registrant as s | pecified in its charter) |
| STATE OF DELAWARE (State or other jurisdiction of incorporation or organization) | 27-0756180 (I.R.S. Employer Identification No.) |
| 300 Renaissance Center, Detroit, Michigan (Address of principal executive offices) | 48265-3000 (Zip Code) |
| Registrant's telephone number (313) 667-15 | 500 |
| Securities registered pursuant to | Section 12(b) of the Act: |
| <u>Title of each class</u> Common Stock | Name of each exchange on which registered New York Stock Exchange |
| Warrants (expiring July 10, 2019) | New York Stock Exchange |
| Securities registered pursuant to Sec | tion 12 (g) of the Act: None |
| Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in l | Rule 405 of the Securities Act. Yes ☑ No □ |
| Indicate by check mark if the registrant is not required to file reports pursuant to Section | n 13 or Section 15(d) of the Act. Yes □ No ☑ |
| Indicate by check mark whether the registrant (1) has filed all reports required to be f preceding 12 months (or for such shorter period that the registrant was required to file su days. Yes \square No \square | |
| Indicate by check mark whether the registrant has submitted electronically every Interact T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period the | |
| Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regi contained, to the best of registrant's knowledge, in definitive proxy or information statem to this Form 10-K. \square | |
| Indicate by check mark whether the registrant is a large accelerated filer, an acceler growth company. See the definitions of "large accelerated filer," "accelerated filer," "sma Exchange Act. | |
| Large accelerated filer ☑ Accelerated filer □ Non-accelerated filer □ Smaller repo (Do not check if a smaller re | |
| If an emerging growth company, indicate by check mark if the registrant has elected no financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. | |
| Indicate by check mark whether the registrant is a shell company (as defined in Rule 12 | 2b-2 of the Exchange Act). Yes □ No ☑ |
| The aggregate market value of the voting stock held by non-affiliates of the registrant (officers may be affiliates) was approximately $$55.5$ billion as of June 30, 2018. | assuming only for purposes of this computation that directors and executive |

As of January 25, 2019 there were 1,409,478,926 shares of common stock outstanding.

Portions of the registrant's definitive Proxy Statement related to the Annual Stockholders Meeting to be filed subsequently are incorporated by reference into Part III of this Form 10-K.

DOCUMENTS INCORPORATED BY REFERENCE

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GENERAL MOTORS COMPANY AND SUBSIDIARIES

PART I

Item 1. Business

General Motors Company (sometimes referred to as we, our, us, ourselves, the Company, General Motors, or GM) was incorporated as a Delaware corporation in 2009. We design, build and sell trucks, crossovers, cars and automobile parts worldwide. We also provide automotive financing services through General Motors Financial Company, Inc. (GM Financial). Except for per share amounts or as otherwise specified, amounts presented within tables are stated in millions.

On July 31, 2017 we closed the sale of the Opel and Vauxhall businesses and certain other assets in Europe (the Opel/Vauxhall Business) to Peugeot, S.A. (PSA Group). On October 31, 2017 we closed the sale of the European financing subsidiaries and branches (the Fincos, and together with the Opel/Vauxhall Business, the European Business) to Banque PSA Finance S.A. and BNP Paribas Personal Finance S.A. The European Business is presented as discontinued operations in our consolidated financial statements for all periods presented. Unless otherwise indicated, information in this report relates to our continuing operations.

Automotive Our automotive operations meet the demands of our customers through our automotive segments: GM North America (GMNA) and GM International (GMI). GMNA meets the demands of customers in North America with vehicles developed, manufactured and/or marketed under the Buick, Cadillac, Chevrolet and GMC brands. GMI primarily meets the demands of customers outside North America with vehicles developed, manufactured and/or marketed under the Buick, Cadillac, Chevrolet, GMC and Holden brands. We also have equity ownership stakes in entities that meet the demands of customers in other countries, primarily in China, with vehicles developed, manufactured and/or marketed under the Baojun, Buick, Cadillac, Chevrolet, Jiefang and Wuling brands.

In addition to the vehicles we sell through our dealer network to retail customers, we also sell vehicles directly or through our dealer network to fleet customers, including daily rental car companies, commercial fleet customers, leasing companies and governments. Our customers can obtain a wide range of aftersale vehicle services and products through our dealer network, such as maintenance, light repairs, collision repairs, vehicle accessories and extended service warranties.

Competitive Position and Vehicle Sales The principal factors that determine consumer vehicle preferences in the markets in which we operate include overall vehicle design, price, quality, available options, safety, reliability, fuel economy and functionality. Market leadership in individual countries in which we compete varies widely.

We present both wholesale and total vehicle sales data to assist in the analysis of our revenue and our market share. Wholesale vehicle sales data consists of sales to GM's dealers and distributors as well as sales to the U.S. Government, and excludes vehicles sold by our joint ventures. Wholesale vehicle sales data correlates to our revenue recognized from the sale of vehicles, which is the largest component of Automotive net sales and revenue. In the year ended December 31, 2018 36% of our wholesale vehicle sales volume was generated outside the U.S. The following table summarizes wholesale vehicle sales by automotive segment (vehicles in thousands):

| | | Years Ended December 31, | | | | | | | | |
|-------------------------|-------|--------------------------|-------|--------|-------|--------|--|--|--|--|
| | 20 | 18 | 20 | 17 | 2016 | | | | | |
| GMNA(a) | 3,555 | 75.5% | 3,511 | 73.5% | 3,958 | 75.9% | | | | |
| GMI(b) | 1,152 | 24.5% | 1,267 | 26.5% | 1,255 | 24.1% | | | | |
| Total | 4,707 | 100.0% | 4,778 | 100.0% | 5,213 | 100.0% | | | | |
| Discontinued operations | | | 696 | | 1,199 | | | | | |

⁽a) Wholesale vehicle sales related to transactions with the European Business were insignificant for the years ended December 31, 2017 and 2016.

Total vehicle sales data represents: (1) retail sales (i.e., sales to consumers who purchase new vehicles from dealers or distributors); (2) fleet sales, such as sales to large and small businesses, governments, and daily rental car companies; and (3) vehicles used by dealers in their businesses, including courtesy transportation vehicles. Total vehicle sales data includes all sales by joint ventures on a total vehicle basis, not based on our percentage ownership interest in the joint venture. Certain joint venture agreements in China allow for the contractual right to report vehicle sales of non-GM trademarked vehicles by those joint ventures, which are included in the total vehicle sales we report for China. While total vehicle sales data does not correlate directly to the revenue we

⁽b) Wholesale vehicle sales include 131 and 128 vehicles related to transactions with the European Business for the years ended December 31, 2017 and 2016.

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recognize during a particular period, we believe it is indicative of the underlying demand for our vehicles. Total vehicle sales data represents management's good faith estimate based on sales reported by GM's dealers, distributors, and joint ventures, commercially available data sources such as registration and insurance data, and internal estimates and forecasts when other data is not available.

The following table summarizes total industry vehicle sales and our related competitive position by geographic region (vehicles in thousands):

| | Years Ended December 31, | | | | | | | | | |
|---|--------------------------|-------|-----------------|----------|-------|-----------------|----------|--------|-----------------|--|
| | | 2018 | _ | | 2017 | | | 2016 | | |
| | Industry | GM | Market Share | Industry | GM | Market Share | Industry | GM | Market Share | |
| North America | | | | | | | | | | |
| United States | 17,694 | 2,954 | 16.7% | 17,570 | 3,002 | 17.1% | 17,886 | 3,043 | 17.0% | |
| Other | 3,835 | 536 | 14.0% | 3,986 | 574 | 14.4% | 3,993 | 587 | 14.7% | |
| Total North America(a) | 21,529 | 3,490 | 16.2% | 21,556 | 3,576 | 16.6% | 21,879 | 3,630 | 16.6% | |
| Asia/Pacific, Middle East and Africa | | | | | | | | | | |
| China(b) | 26,466 | 3,645 | 13.8% | 28,231 | 4,041 | 14.3% | 28,274 | 3,914 | 13.8% | |
| Other(c) | 22,252 | 555 | 2.5% | 21,287 | 629 | 3.0% | 20,602 | 720 | 3.5% | |
| Total Asia/Pacific, Middle East and Africa(a) | 48,718 | 4,200 | 8.6% | 49,518 | 4,670 | 9.4% | 48,876 | 4,634 | 9.5% | |
| South America | | | | | | | | | | |
| Brazil | 2,566 | 434 | 16.9% | 2,239 | 394 | 17.6% | 2,050 | 346 | 16.9% | |
| Other | 1,919 | 256 | 13.3% | 1,928 | 275 | 14.3% | 1,623 | 237 | 14.6% | |
| Total South America(a) | 4,485 | 690 | 15.4% | 4,167 | 669 | 16.1% | 3,673 | 583 | 15.9% | |
| Total in GM markets | 74,732 | 8,380 | 11.2% | 75,241 | 8,915 | 11.8% | 74,428 | 8,847 | 11.9% | |
| Total Europe | 19,045 | 4 | % | 19,190 | 685 | 3.6% | 18,620 | 1,161 | 6.2% | |
| Total Worldwide(d) | 93,777 | 8,384 | 8.9% | 94,431 | 9,600 | 10.2% | 93,048 | 10,008 | 10.8% | |
| United States | | | | | | | | | | |
| Cars | 5,361 | 560 | 10.4% | 6,145 | 709 | 11.5% | 6,897 | 890 | 12.9% | |
| Trucks | 5,361 | 1,360 | 25.4% | 5,041 | 1,328 | 26.3% | 4,911 | 1,325 | 27.0% | |
| Crossovers | 6,972 | 1,034 | 14.8% | 6,384 | 965 | 15.1% | 6,078 | 828 | 13.6% | |
| Total United States | 17,694 | 2,954 | 16.7% | 17,570 | 3,002 | 17.1% | 17,886 | 3,043 | 17.0% | |
| China(b) | | | | | | | | | | |
| SGMS | | 1,749 | | | 1,906 | | | 1,806 | | |
| SGMW and FAW-GM | | 1,896 | | | 2,135 | | | 2,108 | | |
| Total China | 26,466 | 3,645 | 13.8% | 28,231 | 4,041 | 14.3% | 28,274 | 3,914 | 13.8% | |

⁽a) Sales of Opel/Vauxhall outside of Europe were insignificant in the years ended December 31, 2017 and 2016.

In the year ended December 31, 2018 we estimate we had the number one market share in each of North America and South America, and the number three market share in the Asia/Pacific, Middle East and Africa region, which included the number two market share in China. Refer to the Overview in Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A) for discussion on changes in market share by region.

⁽b) Includes sales by the Automotive China JVs SAIC General Motors Sales Co., Ltd. (SGMS), SAIC GM Wuling Automobile Co., Ltd. (SGMW) and FAW-GM Light Duty Commercial Vehicle Co., Ltd. (FAW-GM). In the year ended December 31, 2016 wholesale volumes were used for Industry, GM and Market Share. Our total vehicle sales in China were 3,871 in the year ended December 31, 2016.

⁽c) Includes Industry and GM sales in India and South Africa where we ceased vehicle sales for those domestic markets as of December 31, 2017.

⁽d) Cuba, Iran, North Korea, Sudan and Syria are subject to broad economic sanctions. Accordingly these countries are excluded from industry sales data and corresponding calculation of market share.

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As discussed above, total vehicle sales and market share data provided in the table above includes fleet vehicles. Certain fleet transactions, particularly sales to daily rental car companies, are generally less profitable than retail sales to end customers. Prior to January 1, 2018 a significant portion of the sales to daily rental car companies were recorded as operating leases under U.S. GAAP with no recognition of revenue at the date of initial delivery due to guaranteed repurchase obligations. Beginning January 1, 2018, a significant portion of the sales to daily rental car companies are recorded as sales at the time of delivery to daily rental car companies. The following table summarizes estimated fleet sales and those sales as a percentage of total vehicle sales (vehicles in thousands):

| | Years Ended December 31, | | | | | |
|--|--------------------------|-------|-------|--|--|--|
| | 2018 | 2017 | 2016 | | | |
| GMNA | 740 | 691 | 707 | | | |
| GMI | 478 | 541 | 527 | | | |
| Total fleet sales | 1,218 | 1,232 | 1,234 | | | |
| Fleet sales as a percentage of total vehicle sales | 14.5% | 13.8% | 13.9% | | | |

Product Pricing Several methods are used to promote our products, including the use of dealer, retail and fleet incentives such as customer rebates and finance rate support. The level of incentives is dependent upon the level of competition in the markets in which we operate and the level of demand for our products.

Cyclical Nature of Business Retail sales are cyclical and production varies from month to month. Vehicle model changeovers occur throughout the year as a result of new market entries. The market for vehicles depends in part on general economic conditions, credit availability and consumer spending.

Relationship with Dealers We market vehicles and automotive parts worldwide primarily through a network of independent authorized retail dealers. These outlets include distributors, dealers and authorized sales, service and parts outlets.

The following table summarizes the number of authorized dealerships:

| | December 31, 2018 | December 31, 2017 | December 31, 2016 |
|-------|-------------------|-------------------|-------------------|
| GMNA | 4,793 | 4,809 | 4,857 |
| GMI | 7,716 | 7,641 | 8,598 |
| Total | 12,509 | 12,450 | 13,455 |

We and our joint ventures enter into a contract with each authorized dealer agreeing to sell to the dealer one or more specified product lines at wholesale prices and granting the dealer the right to sell those vehicles to retail customers from an approved location. Our dealers often offer more than one GM brand at a single dealership in a number of our markets. Authorized dealers offer parts, accessories, service and repairs for GM vehicles in the product lines that they sell using GM parts and accessories. Our dealers are authorized to service GM vehicles under our limited warranty program and those repairs are made only with GM parts. Our dealers generally provide their customers with access to credit or lease financing, vehicle insurance and extended service contracts provided by GM Financial and other financial institutions.

The quality of GM dealerships and our relationship with our dealers and distributors are critical to our success as dealers maintain the primary sales and service interface with the end consumer of our products. In addition to the terms of our contracts with our dealers, we are regulated by various country and state franchise laws and regulations that may supersede those contractual terms and impose specific regulatory requirements and standards for initiating dealer network changes, pursuing terminations for cause and other contractual matters.

Research, Product and Business Development and Intellectual Property Costs for research, manufacturing engineering, product engineering and design and development activities relate primarily to developing new products or services or improving existing products or services, including activities related to vehicle and greenhouse gas (GHG) emissions control, improved fuel economy, electrification, autonomous vehicles, the safety of drivers and passengers, and urban mobility. Research and development expenses were \$7.8 billion, \$7.3 billion and \$6.6 billion in the years ended December 31, 2018, 2017 and 2016.

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Product Development The Product Development organization is responsible for designing and integrating vehicle and propulsion components to maximize part sharing across multiple vehicle segments. Global teams in Design, Program Management, Component & Subsystem Engineering, Product Integrity, Safety, Propulsion Systems and Purchasing & Supply Chain collaborate to meet customer requirements and maximize global economies of scale.

Our global vehicle architecture development is headquartered at our Global Technical Center in Warren, Michigan. Cross-segment part sharing is an essential enabler to optimize our current vehicle portfolio, as we expect that more than 75% of our global sales volume will come from five vehicle architectures by early next decade. We will continue to leverage our current architecture portfolio to accommodate our customers around the world while achieving our financial goals.

In November 2018 we announced plans to transform our product development and optimize our product portfolio. We are evolving our global product development workforce and processes to drive world-class levels of engineering in advanced technologies and to improve quality and speed to market.

Hybrid, Plug-In, Extended Range and Battery Electric Vehicles We are investing in multiple technologies offering increasing levels of vehicle electrification including eAssist, plug-in hybrid, full hybrid, extended range and zero emission battery electric vehicles that are part of our long-term strategy to reduce petroleum consumption and GHG emissions. We currently offer seven 2018 model year vehicles in the U.S. featuring some form of electrification and continue to develop plug-in hybrid electric vehicle technology and extended range electric vehicles such as the Chevrolet Bolt EV.

Car- and Ride-Sharing Maven is a shared vehicle marketplace that leverages a versatile software and operational platform to provide members with on-demand access to vehicles through two primary services, Maven Gig and Maven Car Sharing. Maven Gig allows members to access vehicles that can be used in ride-sharing and delivery with companies such as Uber Technologies Inc. and GrubHub Inc. Maven Car Sharing is a consumer service that provides on-demand access to Maven owned and peer-owned vehicles through a new peer-to-peer car-sharing offering. Maven is available in 24 cities across the U.S., Canada and Australia. Through December 31, 2018 Maven Gig and Maven Car Sharing have accumulated in aggregate over 171 million miles driven, 34 million all-electric miles driven and 247,000 reservations. Maven now has 190,000 members.

Autonomous Technology We see autonomous technology leading to a future of zero crashes, zero emissions and zero congestion, since more than 90% of crashes are caused by driver error, according to the National Highway Traffic Safety Administration (NHTSA). We are among the leaders in the industry with significant global real-world experience in delivering connectivity and advanced safety features that are the building blocks to more advanced automation features that are driving our leadership position in the development of autonomous technology. An example of advanced technology is Super Cruise, a driver assistance feature that enables hands-free driving on the highway, which will be expanded to all Cadillac models, with roll-out beginning in 2020.

We are actively testing autonomous vehicles in San Francisco, California; Scottsdale, Arizona; and Michigan. Gated by safety and regulation, we continue to make rapid progress toward commercialization of a network of on-demand autonomous vehicles in the U.S.

In January 2018 we revealed the Cruise AV, a production-intent self-driving vehicle that was engineered from the start to operate safely on its own, with no driver.

In May 2018 SoftBank Vision Fund (The Vision Fund) agreed to invest in GM Cruise, our global segment responsible for the development and commercialization of autonomous vehicle technology. In addition, in October 2018 we reached an agreement to work jointly with Honda Motor Co., Ltd (Honda) to fund and develop a shared autonomous vehicle (SAV) for GM Cruise that can serve a wide variety of use cases and be manufactured at high volume. For additional information on third-party investments in GM Cruise, refer to the Overview section of the Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A).

Alternative Fuel Vehicles We believe alternative fuels offer significant potential to reduce petroleum consumption and resulting GHG emissions in the transportation sector. By leveraging experience and capability developed around these technologies in our global operations we continue to develop FlexFuel vehicles that can run on ethanol-gasoline blend fuels as well as technologies that support compressed natural gas and liquefied petroleum gas (LPG).

We offer a variety of FlexFuel vehicles in the U.S. for the 2019 model year to retail and fleet customers capable of operating on gasoline, E85 ethanol or any combination of the two. In Brazil, a substantial majority of vehicles sold are FlexFuel vehicles capable

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of running on high ethanol blends. We also market FlexFuel vehicles in other global markets where biofuels are in the marketplace. We support the development of biodiesel blend fuels, which are alternative diesel fuels produced from renewable sources.

Hydrogen Fuel Cell Technology Another part of our long-term strategy to reduce petroleum consumption and GHG emissions is our commitment to the development of our hydrogen fuel cell technology. Our Chevrolet Equinox fuel cell electric vehicle demonstration programs, such as Project Driveway, have accumulated more than three million miles of real-world driving. These programs are helping us identify consumer and infrastructure needs to understand the business case for potential production of vehicles with this technology. We are exploring non-traditional automotive uses for fuel cells in several areas, including demonstrations with the U.S. Army and U.S. Navy.

We signed a co-development agreement and established a nonconsolidated JV with Honda in 2016 for a next-generation fuel cell system and hydrogen storage technologies, aiming for commercialization in the early 2020s. We expect the collaboration to succeed by sharing expertise, economies of scale and common sourcing strategies and building upon GM's and Honda's strengths as leaders in hydrogen fuel cell technology.

OnStar and Vehicle Connectivity OnStar, LLC (OnStar) provides subscription-based and complementary services to more than 20 million connected vehicles globally. OnStar provides connected safety, security and mobility solutions for retail and fleet customers, including automatic crash response, stolen vehicle assistance, roadside assistance, dealer maintenance notifications, remote door unlock, turn-by-turn navigation, vehicle location services, hands-free calling, Smart Driver and Marketplace. OnStar also offers additional connectivity packages that include remote vehicle access through a mobile application, on-demand vehicle diagnostics, connected navigation and 4G LTE wireless connectivity.

Intellectual Property We generate and hold a significant number of patents in a number of countries in connection with the operation of our business. While none of these patents are individually material to our business as a whole, these patents are important to our operations and continued technological development. We hold a number of trademarks and service marks that are very important to our identity and recognition in the marketplace.

Raw Materials, Services and Supplies We purchase a wide variety of raw materials, parts, supplies, energy, freight, transportation and other services from numerous suppliers to manufacture our products. The raw materials primarily include steel, aluminum, resins, copper, lead and platinum group metals. We have not experienced any significant shortages of raw materials and normally do not carry substantial inventories of such raw materials in excess of levels reasonably required to meet our production requirements. We continue to experience higher commodity costs and anticipate higher costs associated with tariffs.

In some instances, we purchase systems, components, parts and supplies from a single source and may be at an increased risk for supply disruptions. The inability or unwillingness of these sources to supply us with parts and supplies could have a material adverse effect on our production capacity. Combined purchases from our two largest suppliers have been approximately 12% of our total purchases in each of the years ended December 31, 2018, 2017 and 2016. Refer to Item 1A. Risk Factors for further discussion of these risks.

Environmental and Regulatory Matters

Automotive Emissions Control We are subject to laws and regulations that require us to control automotive emissions, including vehicle and engine exhaust emission standards, vehicle evaporative emission standards and onboard diagnostic (OBD) system requirements. Advanced OBD systems are used to identify and diagnose problems with emission control systems. Problems detected by the OBD system and other in-use compliance monitoring activities may increase warranty costs and the likelihood of recall. Emission and OBD requirements have become more stringent as a result of lower emission standards and new diagnostic requirements that have come into force in many markets around the world driven by policy priorities such as air quality, energy security and climate change, often with very little harmonization. While we believe all of our products are designed and manufactured in material compliance with substantially all vehicle emissions requirements, regulatory authorities may conduct ongoing evaluations of the emissions compliance of products from all manufacturers. This includes vehicle emissions testing, including CO₂ and nitrogen oxide emissions testing, and review of emission control designs and strategies.

The U.S. federal government, through the Environmental Protection Agency (EPA), imposes stringent exhaust and evaporative emission control requirements on vehicles sold in the U.S. The California Air Resources Board (CARB) likewise imposes stringent exhaust and evaporative emission standards, as well as the requirement that increasing percentages of Zero Emission Vehicle (ZEVs) must be sold in California. The Clean Air Act permits states that have areas with air quality compliance issues to adopt California emission standards in lieu of federal requirements. Thirteen states have adopted California emission standards, and ten

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of these have adopted the ZEV requirements. There is a possibility that additional U.S. jurisdictions could adopt California emissions and ZEV requirements in the future.

Although the EPA has not imposed ZEV requirements, the EPA and California's emissions control standards will likely increase the time and mileage periods over which manufacturers are responsible for a vehicle's emission performance. The Canadian federal government's vehicle emission requirements are generally aligned with the U.S. federal requirements. The Canadian province of Quebec has adopted ZEV requirements starting with the 2018 model year largely based on California program requirements.

Each model year we must obtain certification that our vehicles and heavy-duty engines will meet emission requirements of the EPA before we can sell vehicles in the U.S. and Canada, and of the CARB before we can sell vehicles in California and other states that have adopted the California emissions requirements.

China implemented the China 5 emission standard nationwide at the beginning of 2017. China 5 is more stringent than the previous program on all levels including overall emission requirements and the time and mileage period for which vehicles need to meet China 5 level performance. China will implement a unique China 6 emission standard that combines elements of both European and U.S. standards and includes more stringent emission requirements and increases the time and mileage periods over which manufacturers are responsible for a vehicle's emission performance. Nationwide implementation for new registrations is expected in July 2020 for China 6a and July 2023 for the more stringent China 6b standard. Localities can pull ahead China 6 requirements if certain criteria are met. The majority of cities that have announced plans to implement China 6 early have projected implementation in July 2019, but one city has indicated implementation in the three months ended March 31, 2019. For additional information, refer to Item 1A. Risk Factors.

In South America certain countries follow the U.S. test procedures, standards and OBD requirements and others follow the European Union test procedures, standards and OBD requirements with different levels of stringency. Brazil implemented national L6 standards for light diesel vehicles in 2012 and OBD installation for light diesel vehicles in 2015. L6 standards for light gasoline vehicles were implemented in 2015 for all models.

As a result of the Sale of the Opel/Vauxhall Business, GM's vehicle presence in Europe is smaller, but GM may still be affected by actions taken by regulators related both to Opel/Vauxhall vehicles sold before the sale of the Opel/Vauxhall Business as well as to other vehicles GM continues to sell in Europe. In the European Union, increased scrutiny of compliance with emissions standards may result in changes to these standards, including implementation of "real world driving" emissions tests, as well as stricter interpretations or redefinition of these standards and more rigorous enforcement. For example, our former German subsidiary has participated in continuing discussions with German and European authorities concerning emissions control systems. For additional information, refer to Note 22 to our consolidated financial statements.

Automotive Fuel Economy In the U.S., the National Highway Traffic Safety Administration (NHTSA) promulgates and enforces Corporate Average Fuel Economy (CAFE) standards for three separate fleets: domestically produced cars, imported cars and light-duty trucks. Manufacturers are subject to substantial civil penalties if they fail to meet the applicable CAFE standard in any model year, after taking into account all available credits for the preceding five model years and expected credits for the three succeeding model years, including credits obtained from other manufacturers. In addition to federal CAFE, the EPA promulgates and enforces GHG emission standards, which are effectively fuel economy standards because the majority of vehicle GHG emissions are carbon dioxide emissions that are emitted in direct proportion to the amount of fuel burned by a vehicle. The EPA and NHTSA also regulate the fuel efficiency and GHG emissions of medium- and heavy-duty vehicles, imposing more stringent standards over time.

In Canada, light-duty and heavy-duty GHG regulations are currently patterned after the existing EPA GHG emission standards. However, with both the U.S. and Canadian governments reviewing potential changes to these existing regulations and the difference in each country's climate change policies, there is an increased risk that future Canadian light-duty GHG regulations may not be aligned with future EPA regulations. In addition, CARB has asserted the right to promulgate and enforce its own state GHG standards for motor vehicles, and other states have asserted the right to adopt the California standards. Until recently, CARB regulations have provided that compliance with the federal EPA light-duty GHG program is deemed to be in compliance with the California standards through the 2025 model year. However, on December 12, 2018 CARB amended this regulation to clarify that, in the event the EPA alters the GHG stringency by means of the now-pending EPA GHG rulemaking, compliance with the EPA's GHG emissions standards will no longer be deemed in compliance with CARB's requirements. As a result, depending on the outcome of the EPA GHG rulemaking and finality of CARB's regulatory amendment in the future GM might be required to meet California standards that are different than the EPA GHG standards.

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China has two fuel economy requirements for passenger vehicles: an individual vehicle pass-fail type approval requirement and a fleet average fuel consumption requirement. With a focus on the fleet average program, the current China Phase 4 fleet fuel consumption requirement, which went into effect in 2016, is based on curb weight with full compliance to 5.0L/100 km required by 2020. China Phase 4 has continued subsidies for plug-in hybrid, battery electric and fuel cell vehicles. China Phase 5 is currently being developed with a planned start in 2021 with full compliance to 4.0L/100km required by 2025. In addition, China has established the New Energy Vehicle (NEV) Mandate which will require passenger car manufacturers to produce a certain volume of plug-in hybrid, battery electric and fuel cell vehicles to generate "credits" equivalent to 10% in 2019 and 12% in 2020 against the internal combustion engine vehicle production volume. The number of credits per car is based on the level of electric range and energy efficiency. The NEV Mandate requirement for 2021 to 2025 currently is being developed with a goal of NEV volume reaching 20% of total vehicle volume in 2025.

Regulators in other jurisdictions have already adopted or are developing fuel economy or carbon dioxide regulations. If regulators in these jurisdictions seek to impose and enforce emission standards that are misaligned with market conditions, we may be forced to take various actions to increase market support programs for more fuel-efficient vehicles and curtail production of certain high-performance cars, trucks and sport utility vehicles (SUVs) in order to achieve compliance. We regularly evaluate our current and future product plans and strategies for compliance with fuel economy and GHG regulations.

Industrial Environmental Control Our operations are subject to a wide range of environmental protection laws including those regulating air emissions, water discharge, waste management and environmental cleanup. Certain environmental statutes require that responsible parties fund remediation actions regardless of fault, legality of original disposal or ownership of a disposal site. Under certain circumstances these laws impose joint and several liability as well as liability for related damages to natural resources.

To mitigate the effects of our worldwide operations on the environment, we are converting as many of our worldwide operations as practicable to landfill-free operations which reduces GHG emissions associated with waste disposal. At December 31, 2018, 75 (or approximately 50%) of our manufacturing operations and 61 of our non-manufacturing operations were landfill-free, including idled facilities. At our landfill-free manufacturing operations approximately 94% of waste materials are composted, reused, or recycled and approximately 5% are converted to energy at waste-to-energy facilities. In 2018 we estimate that our waste reduction program diverted 1.6 million metric tons of waste from landfill, resulting in approximately 6.9 million metric tons of GHG emissions avoided in global manufacturing operations, including construction, demolition and remediation wastes.

In addition to minimizing our impact on the environment, our landfill-free program and total waste reduction commitments generate revenue from the sale of production by-products, reduce our use of material, reduce our carbon footprint and help to reduce the risks and financial liabilities associated with waste disposal.

We continue to search for ways to increase our use of renewable energy, improve our energy efficiency and work to drive growth and scale of renewables. We are committed to meeting the electricity needs of our operations worldwide with renewable energy by 2050. At December 31, 2018 we had implemented projects or signed renewable energy contracts globally that had increased our total renewable energy capacity to over 400 megawatts, which represents approximately 20% of our global electricity use. In 2018, several wind farms totaling approximately 250 megawatts now match the load of GM facilities in Texas, Ohio and Indiana. We continue to seek opportunities for a diversified renewable energy portfolio including wind, solar, and landfill gas. In 2018 Energy Star certified one assembly plant in Canada through Natural Resources Canada and 17 buildings in the U.S. for superior energy management. We also met the EPA Energy Star Challenge for Industry (EPA Challenge) at eight additional sites globally by reducing energy intensity an average of 13% at these sites within 2.5 years. To meet the EPA Challenge, industrial sites must reduce energy intensity by 10% within a five year period. In total 75 GM-owned manufacturing sites have met the EPA Challenge, with many sites achieving the goal multiple times for a total of 137 recognitions. These efforts minimize our utility expenses and are part of our approach to addressing climate change through setting a GHG emissions reduction target, collecting accurate data, following our business plan to operate more efficiently and publicly reporting progress against our target.

Chemical Regulations We continually monitor the implementation of chemical regulations to maintain compliance and evaluate their effect on our business, suppliers and the automotive industry.

Globally, governmental agencies continue to introduce new legislation and regulations related to the selection and use of chemicals by mandating broad prohibitions or restrictions and implementing green chemistry, life cycle analysis and product stewardship initiatives. These initiatives give broad regulatory authority to ban or restrict the use of certain chemical substances and potentially affect automobile manufacturers' responsibilities for vehicle components at the end of a vehicle's life, as well as chemical selection for product development and manufacturing. Global treaties and initiatives such as the Stockholm, Basel and Rotterdam

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Conventions on Chemicals and Waste and the Minamata Convention on Mercury, are driving chemical regulations across signatory countries. In addition, more global jurisdictions are establishing substance standards with regard to Vehicle Interior Air Quality.

Chemical regulations are increasing in North America. In the U.S. the EPA is moving forward with risk analysis and management of high priority chemicals under the authority of the 2016 Lautenberg Chemical Safety for the 21st Century Act, and several U.S. states have chemical management regulations that can affect vehicle design such as the California and Washington laws banning the use of copper in brake friction material. Chemical restrictions in Canada continue to progress rapidly as a result of Environment Canada's Chemical Management Plan to assess existing substances and implement risk management controls on any chemical deemed toxic.

China prohibits the use of several chemical substances in vehicles. There are also various regulations in China stipulating the requirements for chemical management. Among other things, these regulations catalogue and restrict the use and the import and export of various chemical substances. The failure of our joint venture partners or our suppliers to comply with these regulations could disrupt production in China or prevent our joint venture partners from selling the affected products in the China market.

These emerging regulations will potentially lead to increases in costs and supply chain complexity. We believe that we are materially in compliance with substantially all of these requirements or expect to be materially in compliance by the required dates.

Safety In the U.S. the National Traffic and Motor Vehicle Safety Act of 1966 prohibits the sale of any new vehicle or equipment in the U.S. that does not conform to applicable vehicle safety standards established by NHTSA. If we or NHTSA determine that either a vehicle or vehicle equipment does not comply with a safety standard or if a vehicle defect creates an unreasonable safety risk the manufacturer is required to notify owners and provide a remedy. We are required to report certain information relating to certain customer complaints, warranty claims, field reports and notices and claims involving property damage, injuries and fatalities in the U.S. and claims involving fatalities outside the U.S. We are also required to report certain information concerning safety recalls and other safety campaigns outside the U.S.

Outside the U.S. safety standards and recall regulations often have the same purpose as the U.S. standards but may differ in their requirements and test procedures, adding complexity to regulatory compliance.

Automotive Financing - GM Financial GM Financial is our global captive automotive finance company and our global provider of automobile finance solutions. GM Financial conducts its business in North America, South America and through joint ventures in China.

GM Financial provides retail loan and lease lending across the credit spectrum. Additionally, GM Financial offers commercial lending products to dealers including new and used vehicle inventory floorplan financing and dealer loans, that are loans to finance improvements to dealership facilities, to provide working capital, and to purchase and/or finance dealership real estate. Other commercial lending products include financing for parts and accessories, dealer fleets and storage centers.

In North America, GM Financial offers a sub-prime lending program. The program is primarily offered to consumers with a FICO score or its equivalent of less than 620 who have limited access to automobile financing through banks and credit unions and is expected to sustain a higher level of credit losses than prime lending.

GM Financial generally seeks to fund its operations in each country through local sources to minimize currency and country risk. GM Financial primarily finances its loan, lease and commercial origination volume through the use of secured and unsecured credit facilities, through securitization transactions and through the issuance of unsecured debt in public markets.

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Employees At December 31, 2018 we employed 97,000 (56%) hourly employees and 76,000 (44%) salaried employees. At December 31, 2018 50,000 (49%) of our U.S. employees were represented by unions, a majority of which were represented by the International Union, United Automobile, Aerospace and Agriculture Implement Workers of America (UAW). The following table summarizes worldwide employment (in thousands):

| | December 31, 2018 |
|-----------------|--------------------------|
| GMNA(a) | 124 |
| GMI | 39 |
| GM Financial | 10 |
| Total Worldwide | 173 |
| U.S Salaried | 53 |
| U.S Hourly | 50 |
| | |

⁽a) Includes GM Cruise

In November 2018 we announced our plan to transform our global workforce, which includes reducing our salaried staff in 2019 to ensure we have the right skill sets for today and the future, as well as 25% fewer executives to streamline decision making.

Executive Officers of the Registrant As of February 6, 2019 the names and ages of our executive officers and their positions with GM are as follows:

| Name (Age) | Present GM Position (Effective Date) | Positions Held During the Past Five Years (Effective Date) | | | | | | |
|---------------------------|---|--|--|--|--|--|--|--|
| Mary T. Barra (57) | Chairman and Chief Executive Officer (2016) | Chief Executive Officer and Member of the Board of Directors (2014) | | | | | | |
| Alan S. Batey (55) | Executive Vice President and President, North America (2014) | | | | | | | |
| Alicia Boler-Davis (49) | Executive Vice President, Global Manufacturing (2016) | Senior Vice President, Global Connected Customer Experience (2014) Vice President, Global Quality and U.S. Customer Experience (2012) | | | | | | |
| Barry L. Engle (55) | Executive Vice President and President, GM International (2018) | Executive Vice President and President, South America (2015) Agility Fuel Systems, Chief Executive Officer (2011) | | | | | | |
| Craig B. Glidden (61) | Executive Vice President and General Counsel (2015) | LyondellBasell, Executive Vice President and Chief Legal Officer (2009) | | | | | | |
| Christopher T. Hatto (48) | Vice President, Controller and Chief Accounting Officer (2018) | Chief Financial Officer, U.S. Sales Operations (2016) Chief Financial Officer, Customer Care and Aftersales (2013) | | | | | | |
| Mark L. Reuss (55) | President (2019) | Executive Vice President and President, Global Product Development Group and Cadillac (2018) Executive Vice President, Global Product Development, Purchasing & Supply Chain (2014) | | | | | | |
| Dhivya Suryadevara (39) | Executive Vice President and Chief Financial Officer (2018) | Vice President Corporate Finance (2017) Vice President Finance and Treasurer (2015) Chief Executive Officer, GM Asset Management (2013) | | | | | | |
| Matthew Tsien (58) | Executive Vice President and President, GM China (2014) | | | | | | | |

There are no family relationships between any of the officers named above and there is no arrangement or understanding between any of the officers named above and any other person pursuant to which he or she was selected as an officer. Each of the officers named above was elected by the Board of Directors to hold office until his or her successor is elected and qualified or until his or her earlier resignation or removal.

Website Access to Our Reports Our internet website address is www.gm.com. In addition to the information about us and our subsidiaries contained in this 2018 Form 10-K information about us can be found on our website including information on our corporate governance principles and practices. Our Investor Relations website at https://investor.gm.com contains a significant amount

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of information about us, including financial and other information about our company on our website and it is possible that this information could

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be deemed to be material information. Our website and information included in or linked to our website are not part of this 2018 Form 10-K.

Our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (Exchange Act) are available free of charge through our website as soon as reasonably practicable after they are electronically filed with or furnished to the Securities and Exchange Commission (SEC).

* * * * * * *

Item 1A. Risk Factors

We have listed below the most significant risk factors applicable to us. These risk factors are not necessarily in the order of importance or probability of occurrence:

If we do not deliver new products, services and customer experiences in response to increased competition in the automotive industry, our business could suffer. We believe that the automotive industry will continue to experience significant change in the coming years. In addition to our traditional competitors, we must also be responsive to the entrance of non-traditional participants in the automotive industry. Industry participants are disrupting the historic business model of our industry through the introduction of new technologies, products, services, and methods of travel and vehicle ownership. It is strategically significant that we lead the technological disruption occurring in our industry, including consumer adoption of electric vehicles and commercialization of autonomous vehicles in a rideshare environment. To successfully execute our long-term strategy, we must continue to develop new products and services, including products and services that are outside of our historically core business, such as autonomous and electric vehicles, digital services and transportation as a service. The process of designing and developing new technology, products and services is complex, costly, and uncertain and requires extensive capital investment and the ability to retain and recruit talent. There can be no assurance that advances in technology will occur in a timely or feasible way, or that others will not acquire similar or superior technologies sooner than we do or that we will acquire technologies on an exclusive basis or at a significant price advantage. If we do not adequately prepare for and respond to new kinds of technological innovations, market developments and changing customer needs, our sales, profitability and long-term competitiveness may be harmed.

Our ability to maintain profitability is dependent upon our ability to timely fund and introduce new and improved vehicle models that are able to attract a sufficient number of consumers. We operate in a very competitive industry with market participants routinely introducing new and improved vehicle models and features designed to meet rapidly evolving consumer expectations. Producing new and improved vehicle models preserving our reputation for designing, building and selling safe, high-quality cars and trucks is critical to our long-term profitability. Successful launches of our new vehicles are critical to our short-term profitability. It generally takes two years or more to design and develop a new vehicle, and a number of factors may lengthen that time period. Because of this product development cycle and the various elements that may contribute to consumers' acceptance of new vehicle designs, including competitors' product introductions, technological innovations, fuel prices, general economic conditions and changes in quality, safety, reliability and styling demands and preferences, an initial product concept or design may not result in a vehicle that generates sales in sufficient quantities and at high enough prices to be profitable. Our high proportion of fixed costs, both due to our significant investment in property, plant and equipment as well as other requirements of our collective bargaining agreements, which limit our flexibility to adjust personnel costs to changes in demands for our products, may further exacerbate the risks associated with incorrectly assessing demand for our vehicles.

Our profitability is dependent upon the success of SUVs and full-size pick-up trucks. While we offer a balanced portfolio of cars, crossovers, SUVs and trucks, we generally recognize higher profit margins on our SUVs and trucks. Our success is dependent upon our ability to sell higher margin vehicles in sufficient volumes. Any shift in consumer preferences toward smaller, more fuel- efficient vehicles, whether as a result of increases in the price of oil or any sustained shortage of oil, including as a result of global political instability or other reasons, could weaken the demand for our higher margin vehicles.

We may continue to restructure our operations in the U.S. and various other countries and initiate additional cost reduction actions, but we may not succeed in doing so. Since 2017, we have undertaken restructuring actions to lower our operating costs in response to difficult market and operating conditions in various parts of the world, including the U.S., Korea and Europe. As we continue to assess our performance throughout our regions, we may take additional restructuring actions to rationalize our operations, which may result in asset write-downs or impairments and reduce our profitability in the periods incurred. In addition, we are continuing to implement a number of operating effectiveness initiatives to improve productivity and reduce costs. For example, in late 2018, we announced certain transformation actions to drive significant cost efficiencies and realign our current

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manufacturing capacity and utilization in response to market-related volume declines in passenger cars. There is no guarantee that we will realize the anticipated savings or benefits from past or future restructuring and/or cost reduction actions in full or within the time periods we expect. In addition, these actions also subject us to increased risks of labor unrest or strikes, litigation, negative publicity and business disruption. Failure to realize anticipated savings or benefits from our restructuring and/or cost reduction actions could have a material adverse effect on our business, prospects, financial condition, liquidity, results of operations and cash flows.

Our electric vehicle strategy is dependent upon our ability to reduce the cost of manufacturing electric vehicles, as well as increased consumer adoption. We anticipate that the production and profitable sale of electric vehicles will become increasingly important to our business. Our inability to reduce the costs associated with the manufacture of battery-electric vehicles may negatively impact our earnings and financial condition. We currently benefit from certain government and economic incentives supporting the development of electric vehicles. The benefits from these incentives could be reduced, eliminated or exhausted, which may negatively affect our ability to sell electric vehicles at high enough prices to be profitable. In addition, our sale of electric vehicles is dependent upon consumer adoption, which could be impacted by numerous factors, including perceptions about electric vehicle features, quality, safety, performance and cost; perceptions about the limited range over which electric vehicles may be driven on a single battery charge; high fuel-economy internal combustion engine vehicles; volatility in the cost of fuel; government regulations and economic incentives; and access to charging facilities.

Our autonomous vehicle strategy is dependent upon our ability to successfully mitigate unique technological, operational, and regulatory risks. In recent years, we announced significant investments in autonomous vehicle technologies, including in GM Cruise Holdings LLC (GM Cruise Holdings), our subsidiary that is responsible for the development and commercialization of autonomous vehicle technology. Our autonomous vehicle operations are capital intensive and subject to a variety of risks inherent with the development of new technologies, including: our ability to continue to develop self-driving software and hardware, such as LiDAR sensors and other components; access to sufficient capital, including with respect to additional Softbank funding that is subject to regulatory approval; risks related to the manufacture of purpose-built autonomous vehicles; and significant competition from both established automotive companies and technology companies, some of which may have more resources and capital to devote to autonomous vehicle technologies than we do. In addition, we face risks related to the commercial deployment of autonomous vehicles on our targeted timeline or at all, including consumer acceptance, achievement of adequate safety and other performance standards and compliance with uncertain, evolving and potentially conflicting federal and state regulations. To the extent accidents, cybersecurity breaches or other adverse events associated with our autonomous driving systems occur, we could be subject to liability, government scrutiny and further regulation. Any of the foregoing could materially and adversely affect our results of operations, financial condition and growth prospects.

Our business is highly dependent upon global automobile market sales volume, which can be volatile. Because we have a high proportion of relatively fixed structural costs, small changes in sales volume can have a disproportionately large effect on our profitability. A number of economic and market conditions drive changes in vehicle sales, including real estate values, the availability and prices of used vehicles, levels of unemployment, availability of affordable financing, fluctuations in the cost of fuel, consumer confidence, political unrest and global economic conditions. For a discussion of economic and market trends, see the Overview section of the MD&A. We cannot predict future economic and market conditions with certainty.

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Our significant business in China subjects us to unique operational, competitive and regulatory risks. Maintaining a strong position in the Chinese market is a key component of our global growth strategy. Our business in China is subject to aggressive competition from many of the largest global manufacturers and numerous domestic manufacturers as well as non-traditional market participants, such as domestic technology companies. In addition, our success in China depends upon our ability to adequately address unique market and consumer preferences driven by advancements related to infotainment and other new technologies. Increased competition, increased U.S.-China trade restrictions and weakening economic conditions in China, among other things, may result in price reductions, reduced sales, profitability, and margins, and challenges to gain or hold market share. In addition to increased competition, Chinese regulators have announced aggressive "green" policy initiatives and quotas for the sale of electric vehicles, which have challenging lead times.

Certain risks and uncertainties of doing business in China are solely within the control of the Chinese government, and Chinese law regulates the scope of our foreign investments and business conducted within China. In order to maintain access to the Chinese market, we may be required to comply with significant technical and other regulatory requirements that are unique to the Chinese market, at times with challenging lead times to implement such requirements. These actions may increase the cost of doing business in China and reduce our profitability. In particular, the announced intention of several Chinese cities to implement new China 6 emissions regulations in July 2019 represents a risk for the sales of our Chinese joint ventures.

A significant amount of our operations are conducted by joint ventures that we cannot operate solely for our benefit. Many of our operations, primarily in China and Korea, are carried out by joint ventures. In joint ventures we share ownership and management of a company with one or more parties who may not have the same goals, strategies, priorities or resources as we do and may compete with us outside the joint venture. Joint ventures are intended to be operated for the equal benefit of all co-owners, rather than for our exclusive benefit. Operating a business as a joint venture often requires additional organizational formalities as well as time-consuming procedures for sharing information and making decisions that must further take into consideration our partners' interests. In joint ventures we are required to foster our relationships with our co-owners as well as promote the overall success of the joint venture, and if a co-owner changes, relationships deteriorate or strategic objectives diverge, our success in the joint venture may be materially adversely affected. The benefits from a successful joint venture are shared among the co-owners, therefore we do not receive all the benefits from our successful joint ventures. In addition, because we share ownership and management with one or more parties, we may have limited control over the actions of a joint venture, particularly when we own a minority interest. As a result, we may be unable to prevent misconduct or other violations of applicable laws by a joint venture. Moreover, a joint venture may not follow the same requirements regarding compliance, internal controls and internal control over financial reporting that we follow. To the extent another party makes decisions that negatively impact the joint venture or internal control issues arise within the joint venture, we may have to take responsive or other actions or we may be subject to penalties, fines or other related actions for these activities.

The international scale and footprint of our operations exposes us to additional risks. We manufacture, sell and service products globally and rely upon a global supply chain to deliver the raw materials, components, systems and parts that we need to manufacture our products. Our global operations subject us to extensive domestic and foreign legal and regulatory requirements, and a variety of other political, economic and regulatory risks including: (1) changes in government leadership; (2) changes in labor, tax and other laws, regulations or government policies impacting our overall business model or practices or restricting our ability to manufacture, purchase or sell products consistent with market demand and our business objectives; (3) political pressures to change any aspect of our business model or practices or that impair our ability to source raw materials, services, components, systems and parts, or manufacture products on competitive terms in a manner consistent with our business objectives; (4) political instability or government controls over certain sectors; (5) political and economic tensions between governments and changes in international trade policies, including restrictions on the repatriation of dividends, especially between China and the U.S.; (6) more detailed inspections, new or higher tariffs, for example, on products imported into or exported from the U.S.; (7) new barriers to entry or domestic preference procurement requirements, including changes to, withdrawals from or impediments to implementing free trade agreements (for example, the North American Free Trade Agreement or its successor), or preferences of foreign nationals for domestically manufactured products; (8) changes in foreign currency exchange rates, particularly in Brazil and Argentina, and interest rates; (9) economic downturns in foreign countries or geographic regions where we have significant operations, or significant changes in conditions in the countries in which we operate; (10) differing local product preferences and product requirements, including government certification requirements related to, among other things, fuel economy, vehicle emissions and safety; (11) impact of compliance with U.S. and other foreign countries' export controls and economic sanctions; (12) liabilities resulting from U.S. and foreign laws and regulations, including, but not limited to, those related to the Foreign Corrupt Practices Act and certain other anti-corruption laws; (13) differing labor regulations, requirements and union relationships; (14) differing dealer and franchise regulations and relationships; and (15) difficulties in obtaining financing in foreign countries for local operations.

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Any significant disruption at one of our manufacturing facilities could disrupt our production schedule. We assemble vehicles at various facilities around the world. Our facilities are typically designed to produce particular models for particular geographic markets. No single facility is designed to manufacture our full range of vehicles. In some cases, certain facilities produce products, systems, components and parts that disproportionately contribute a greater degree to our profitability than others. Should these or other facilities become unavailable either temporarily or permanently for any number of reasons, including labor disruptions or catastrophic weather events, the inability to manufacture at the affected facility may result in harm to our reputation, increased costs, lower revenues and the loss of customers. We may not be able to easily shift production to other facilities or to make up for lost production. Any new facility needed to replace an inoperable manufacturing facility would need to comply with the necessary regulatory requirements, need to satisfy our specialized manufacturing requirements and require specialized equipment.

In 2019, our collective bargaining agreement with the United Automobile Workers will expire, and we will negotiate a new agreement. In addition, in late 2018 we announced certain restructuring actions, which included among other things, a reduction in our workforce and the unallocation of products to certain manufacturing facilities in North America. As a result, we may be subject to an increased risk of strikes, work stoppages or other types of conflicts with labor unions and employees.

Any disruption in our suppliers' operations could disrupt our production schedule. Our automotive operations are dependent upon the continued ability of our suppliers to deliver the systems, components, raw materials and parts that we need to manufacture our products. Our use of "just-in-time" manufacturing processes allows us to maintain minimal inventory. As a result, our ability to maintain production is dependent upon our suppliers delivering sufficient quantities of systems, components, raw materials and parts on time to meet our production schedules. In some instances, we purchase systems, components, raw materials and parts that are ultimately derived from a single source and may be at an increased risk for supply disruptions. Any number of factors, including labor disruptions, catastrophic weather events, contractual or other disputes with suppliers, and supplier financial difficulties or solvency problems could disrupt our suppliers' operations and lead to uncertainty in our supply chain or cause supply disruptions for us which could, in turn, disrupt our operations, including the production of certain of our higher margin vehicles. If we experience supply disruptions, we may not be able to develop alternate sourcing quickly. Any disruption of our production schedule caused by an unexpected shortage of systems, components, raw materials or parts even for a relatively short period of time could cause us to alter production schedules or suspend production entirely.

High prices of raw materials or other inputs used by us and our suppliers could negatively impact our profitability. Increases in prices for raw materials or other inputs that we and our suppliers use in manufacturing products, systems, components and parts, such as steel, precious metals, or non-ferrous metals, including aluminum, copper and plastic, may lead to higher production costs for parts, components and vehicles. Changes in trade policies and tariffs, fluctuations in supply and demand, and other economic and political factors may continue to create pricing pressure for raw materials and other inputs. This could, in turn, negatively impact our future profitability because we may not be able to pass all of those costs on to our customers or require our suppliers to absorb such costs.

We operate in a highly competitive industry that has excess manufacturing capacity and attempts by our competitors to sell more vehicles could have a significant negative effect on our vehicle pricing, market share and operating results. The global automotive industry is highly competitive and overall manufacturing capacity in the industry far exceeds demand. Many manufacturers have relatively high fixed labor costs as well as significant limitations on their ability to close facilities and reduce fixed costs. Many of our competitors have responded to these relatively high fixed costs by providing subsidized financing or leasing programs, offering marketing incentives or reducing vehicle prices. As a result, we are not necessarily able to set our prices to offset higher costs of marketing incentives, commodity or other cost increases, or the impact of adverse currency fluctuations. Our competitors may also seek to benefit from economies of scale by consolidating or entering into other strategic agreements such as alliances intended to enhance their competitiveness.

Domestic manufacturers in lower cost countries, such as China and India, have become competitors in key emerging markets and announced their intention to export their products to established markets as a low-cost alternative to established entry-level automobiles. In addition, foreign governments may decide to implement tax and other policies that favor their domestic manufacturers at the expense of international manufacturers, including GM and its joint venture partners. These actions have had, and are expected to continue to have, a significant negative effect on our vehicle pricing, market share and operating results.

Competitors may independently develop products and services similar to ours, and there are no guarantees that GM's intellectual property rights would prevent competitors from independently developing or selling those products and services. There may be instances where, notwithstanding our intellectual property position, competitive products or services may impact the value of our brands and other intangible assets, and our business may be adversely affected. Moreover, although GM takes reasonable steps to maintain the confidentiality of GM proprietary information, there can be no assurance that such efforts will

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completely deter misappropriation or improper use of our technology. We sometimes face attempts to gain unauthorized access to our information technology networks and systems for the purpose of improperly acquiring our trade secrets or confidential business information. The theft or unauthorized use or publication of our trade secrets and other confidential business information as a result of such an incident could adversely affect our competitive position. In addition, we may be the target of enforcement of patents by third parties, including aggressive and opportunistic enforcement claims by non-practicing entities. Regardless of the merit of such claims, responding to infringement claims can be expensive and time-consuming. Although we have taken steps to mitigate such risks, if we are found to infringe any third-party rights, we could be required to pay substantial damages or we could be enjoined from offering some of our products and services.

Security breaches and other disruptions to information technology systems and networked products, including connected vehicles, owned or maintained by us, GM Financial, or third-party vendors or suppliers on our behalf, could interfere with our operations and could compromise the confidentiality of private customer data or our proprietary information. We rely upon information technology systems and manufacture networked products, some of which are managed by third-parties, to process, transmit and store electronic information, and to manage or support a variety of our business processes, activities and products. Additionally, we and GM Financial collect and store sensitive data, including intellectual property, proprietary business information, proprietary business information of our dealers and suppliers, as well as personally identifiable information of our customers and employees, in data centers and on information technology networks. The secure operation of these systems and products, and the processing and maintenance of the information processed by these systems and products, is critical to our business operations and strategy. Despite security measures and business continuity plans, these systems and products may be vulnerable to damage, disruptions or shutdowns caused by attacks by hackers, computer viruses, or breaches due to errors or malfeasance by employees, contractors and others who have access to these systems and products. The occurrence of any of these events could compromise the operational integrity of these systems and products. Similarly, such an occurrence could result in the compromise or loss of the information processed by these systems and products. Such events could result in, among other things, the loss of proprietary data, interruptions or delays in our business operations and damage to our reputation. In addition, such events could result in legal claims or proceedings, liability or regulatory penalties under laws protecting the privacy of personal information; disrupt operations; or reduce the competitive advantage we hope to derive from our investment in advanced technologies. We have experienced such events in the past and, although past events were immaterial, future events may occur and may be material.

Portions of our information technology systems also may experience interruptions, delays or cessations of service or produce errors due to regular maintenance efforts, such as systems integration or migration work that takes place from time to time. We may not be successful in implementing new systems and transitioning data, which could cause business disruptions and be more expensive, time-consuming, disruptive and resource intensive. Such disruptions could adversely impact our ability to design, manufacture and sell products and services, and interrupt other business processes.

Security breaches and other disruptions of our in-vehicle systems could impact the safety of our customers and reduce confidence in GM and our products. Our vehicles contain complex information technology systems. These systems control various vehicle functions including engine, transmission, safety, steering, navigation, acceleration, braking, window and door lock functions. We have designed, implemented and tested security measures intended to prevent unauthorized access to these systems. However, hackers have reportedly attempted, and may attempt in the future, to gain unauthorized access to modify, alter and use such systems to gain control of, or to change, our vehicles' functionality, user interface and performance characteristics, or to gain access to data stored in or generated by the vehicle. Any unauthorized access to or control of our vehicles or their systems or any loss of data could impact the safety of our customers or result in legal claims or proceedings, liability or regulatory penalties. In addition, regardless of their veracity, reports of unauthorized access to our vehicles, their systems or data could negatively affect our brand and harm our business, prospects, financial condition and operating results.

Our enterprise data practices, including the collection, use, sharing, and security of the Personal Identifiable Information of our customers, employees, or suppliers are subject to increasingly complex, restrictive, and punitive regulations in all key market regions. Under these regulations, the failure to maintain compliant data practices could result in consumer complaints and regulatory inquiry, resulting in civil or criminal penalties, as well as brand impact or other harm to our business. In addition, increased consumer sensitivity to real or perceived failures in maintaining acceptable data practices could damage our reputation and deter current and potential users or customers from using our products and services. Because many of these laws are new, there is little clarity as to their interpretation, as well as a lack of precedent for the scope of enforcement. The cost of compliance with these laws and regulations will be high and is likely to increase in the future. For example, in Europe, the General Data Protection Regulation came into effect on May 25, 2018, and applies to all our ongoing operations in the EU. This regulation significantly increases the potential financial penalties for noncompliance, including possible fines of up to 4% of global annual turnover. Similar regulations are coming into effect in Brazil, China, and California.

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Our operations and products are subject to extensive laws, governmental regulations and policies that can significantly increase our costs and affect how we do business. We are significantly affected by governmental regulations that can increase costs related to the production of our vehicles and affect our product portfolio, particularly regulations relating to emissions and fuel economy standards. Meeting or exceeding many of these regulations is costly and often technologically challenging, especially when standards may not be harmonized across jurisdictions. We anticipate that the number and extent of these and other regulations, laws and policies, and the related costs and changes to our product portfolio, may increase significantly in the future, primarily out of concern for the environment (including concerns about global climate change and its impact). These government regulatory requirements could significantly affect our plans for global product development and given the uncertainty surrounding enforcement and regulatory definitions and interpretations, may result in substantial costs, including civil or criminal penalties. In addition, an evolving but unharmonized regulatory framework may limit or dictate the types of vehicles we sell and where we sell them, which can affect revenue. Refer to the "Environmental and Regulatory Matters" section of Item 1. Business for further information on these requirements. We also expect that manufacturers will continue to be subject to increased scrutiny from regulators globally.

We expect that to comply with current or even revised fuel economy and emission control requirements we will be required to sell a significant volume of electric vehicles, as well as develop and implement new technologies for conventional internal combustion engines, all at increased cost levels. There are limits on our ability to achieve fuel economy improvements over a given time frame, however. There is no assurance that we will be able to produce and sell vehicles that use such new technologies on a profitable basis or that our customers will purchase such vehicles in the quantities necessary for us to comply with these regulatory programs.

In the current uncertain regulatory framework, environmental liabilities for which we may be responsible and that are not reasonably estimable could be substantial. Alleged violations of safety, fuel economy or emissions standards could result in legal proceedings, the recall of one or more of our products, negotiated remedial actions, fines, restricted product offerings or a combination of any of those items. Any of these actions could have substantial adverse effects on our operations including facility idling, reduced employment, increased costs and loss of revenue.

Many of our advanced technologies, including autonomous vehicles, present novel issues with which domestic and foreign regulators have only limited experience and will be subject to evolving regulatory frameworks. Any current or future regulations in these areas could impact whether and how these technologies are designed and integrated into our products, and may ultimately subject us to increased costs and uncertainty.

We are subject to legal proceedings involving various issues, including product liability lawsuits, class action litigations alleging product defects, emissions litigation (both in the U.S. and elsewhere), stockholder litigation, labor litigation in various countries (including Korea and Brazil) and proceedings related to the Ignition Switch Recall. In addition, we are subject to governmental proceedings and investigations. A negative outcome in one or more of these legal proceedings could result in the imposition of damages, including punitive damages, substantial fines, significant reputational harm, civil lawsuits and criminal penalties, interruptions of business, modification of business practices, equitable remedies and other sanctions against us or our personnel as well as significant legal and other costs. In addition, we may become obligated to issue additional shares (Adjustment Shares) of up to 30 million shares of our common stock (subject to adjustment to take into account stock dividends, stock splits and other transactions) to the Motors Liquidation Company (MLC) GUC Trust (GUC Trust) under a provision of the Amended and Restated Master Sale and Purchase Agreement between us and General Motors Corporation and certain of its subsidiaries in the event that allowed general unsecured claims against the GUC Trust, as estimated by the United States Bankruptcy Court for the Southern District of New York (Bankruptcy Court), exceed \$35.0 billion. The GUC Trust stated in public filings that allowed general unsecured claims were approximately \$31.9 billion as of December 31, 2018. For a further discussion of these matters refer to Note 16 to our consolidated financial statements.

The costs and effect on our reputation of product safety recalls and alleged defects in products and services could materially adversely affect our business. Government safety standards require manufacturers to remedy certain product safety defects through recall campaigns. Under these standards, we could be subject to civil or criminal penalties or may incur various costs, including significant costs for free repairs. At present, the costs we incur in connection with these recalls typically include the cost of the part being replaced and labor to remove and replace the defective part. The costs to complete a recall could be exacerbated to the extent that such action relates to a global platform. Concerns about the safety of our products, including advanced technologies like autonomous, whether raised internally or by regulators or consumer advocates, and whether or not based on scientific evidence or supported by data, can result in product delays, recalls, lost sales, governmental investigations, regulatory action, private claims, lawsuits and settlements, and reputational damage. These circumstances can also result in damage to brand image, brand equity and consumer trust in the Company's products and ability to lead the disruption occurring in the automotive industry.

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We currently source a variety of systems, components, raw materials and parts from third parties. From time to time these items may have performance or quality issues that could harm our reputation and cause us to incur significant costs.

We may incur additional tax expense or become subject to additional tax exposure. We are subject to the tax laws and regulations of the U.S. and numerous other jurisdictions in which we do business. Many judgments are required in determining our worldwide provision for income taxes and other tax liabilities, and we are regularly under audit by the U.S. Internal Revenue Service and other tax authorities, which may not agree with our tax positions. In addition, our tax liabilities are subject to other significant risks and uncertainties, including those arising from potential changes in laws and/or regulations in the countries in which we do business, the possibility of adverse determinations with respect to the application of existing laws, and changes in the valuation of our deferred tax assets and liabilities. Any unfavorable resolution of these and other uncertainties may have a significant adverse impact on our tax rate. For example, the impact of the U.S. Tax Cuts and Jobs Act of 2017 (the Tax Act), which was enacted on December 22, 2017, may differ from the Company's previously recorded amounts, possibly materially, due to potential changes in the Tax Act (including with respect to the regulations promulgated thereunder) or changes to its interpretation. If our tax expense were to increase, or if the ultimate determination of our taxes owed is for an amount in excess of amounts previously accrued, our operating results, cash flows and financial condition could be adversely affected.

We rely on GM Financial to provide financial services to our customers and dealers in North America, South America and Asia/Pacific. GM Financial faces a number of business, economic and financial risks that could impair its access to capital and negatively affect its business and operations, which in turn impede its ability to provide leasing and financing to customers and commercial lending to our dealers. Any reduction in GM Financial's ability to provide such financial services would negatively affect our efforts to support additional sales of our vehicles and expand our market penetration among customers and dealers.

The primary factors that could adversely affect GM Financial's business and operations and reduce its ability to provide financing services at competitive rates include the sufficiency, availability and cost of sources of financing, including credit facilities, securitization programs and secured and unsecured debt issuances; the performance of loans and leases in its portfolio, which could be materially affected by charge-offs, delinquencies and prepayments; wholesale auction values of used vehicles; higher than expected vehicle return rates and the residual value performance on vehicles GM Financial leases to customers; fluctuations in interest rates and currencies; and changes to regulation, supervision, enforcement and licensing across various jurisdictions.

Further, as an entity operating in the financial services sector, GM Financial is required to comply with a wide variety of laws and regulations that may be costly to adhere to and may affect our consolidated operating results. Compliance with these laws and regulations requires that GM Financial maintain forms, processes, procedures, controls and the infrastructure to support these requirements and these laws and regulations often create operational constraints both on GM Financial's ability to implement servicing procedures and on pricing. Laws in the financial services industry are designed primarily for the protection of consumers. The failure to comply with these laws could result in significant statutory civil and criminal penalties, monetary damages, attorneys' fees and costs, possible revocation of licenses and damage to reputation, brand and valued customer relationships.

Our defined benefit pension plans are currently underfunded and our pension funding requirements could increase significantly due to a reduction in funded status as a result of a variety of factors, including weak performance of financial markets, declining interest rates, changes in laws or regulations, changes in assumptions or investments that do not achieve adequate returns. Our employee benefit plans currently hold a significant amount of equity and fixed income securities. A detailed description of the investment funds and strategies and our potential funding requirements are disclosed in Note 15 to our consolidated financial statements, which also describes significant concentrations of risk to the plan investments.

Our future funding requirements for our U.S. defined benefit pension plans depend upon the future performance of assets placed in trusts for these plans, the level of interest rates used to determine funding levels, the level of benefits provided for by the plans and any changes in laws and regulations. Future funding requirements generally increase if the discount rate decreases or if actual asset returns are lower than expected asset returns, assuming other factors are held constant. We estimate future contributions to these plans using assumptions with respect to these and other items. Changes to those assumptions could have a significant effect on future contributions.

There are additional risks due to the complexity and magnitude of our investments. Examples include implementation of significant changes in investment policy, insufficient market liquidity in particular asset classes and the inability to quickly rebalance illiquid and long-term investments.

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Factors which affect future funding requirements for our U.S. defined benefit plans generally affect the required funding for non-U.S. plans. Certain plans outside the U.S. do not have assets and therefore the obligation is funded as benefits are paid. If local legal authorities increase the minimum funding requirements for our non-U.S. plans, we could be required to contribute more funds.

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Item 1B. Unresolved Staff Comments

None

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Item 2. Properties

At December 31, 2018 we had over 100 locations in the U.S. (excluding our automotive financing operations and dealerships) which are primarily for manufacturing, assembly, distribution, warehousing, engineering and testing. We, our subsidiaries or associated companies in which we own an equity interest own most of these properties and/or lease a portion of these properties. Leased properties are primarily composed of warehouses and administration, engineering and sales offices.

We have manufacturing, assembly, distribution, office or warehousing operations in 33 countries, including equity interests in associated companies which perform manufacturing, assembly or distribution operations. The major facilities outside the U.S., which are principally vehicle manufacturing and assembly operations, are located in Argentina, Brazil, Canada, China, Colombia, Ecuador, Mexico, South Korea and Thailand.

In November 2018 we announced our plans to realign our manufacturing capacity in response to market-related volume declines in passenger cars.

GM Financial owns or leases facilities for administration and regional credit centers. GM Financial has 39 facilities, of which 26 are located in the U.S. The major facilities outside the U.S. are located in Brazil, Canada, China and Mexico.

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Item 3. Legal Proceedings

Refer to the discussion in the Litigation-Related Liability and Tax Administrative Matters section in Note 16 to our consolidated financial statements for information relating to legal proceedings.

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Item 4. Mine Safety Disclosures

Not applicable

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PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market Information Shares of our common stock are publicly traded on the New York Stock Exchange under the symbol "GM".

Holders At January 25, 2019 we had 1.4 billion issued and outstanding shares of common stock held by 501 holders of record.

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GENERAL MOTORS COMPANY AND SUBSIDIARIES

Purchases of Equity Securities The following table summarizes our purchases of common stock in the three months ended December 31, 2018:

| | Total Number of Shares Purchased(a) | | Shares | | Shares | | Veighted Average rice Paid er Share | Total Number of Shares Purchased Under Announced Programs(b) | Approximate Dollar Value of Shares That May Yet be Purchased Under Announced Programs |
|--|---|----|--------|---|---------------|--|--|---|--|
| October 1, 2018 through October 31, 2018 | 118,108 | \$ | 33.53 | _ | \$3.4 billion | | | | |
| November 1, 2018 through November 30, 2018 | 6,552 | \$ | 36.47 | _ | \$3.4 billion | | | | |
| December 1, 2018 through December 31, 2018 | 2,992,631 | \$ | 33.07 | _ | \$3.4 billion | | | | |
| Total | 3,117,291 | \$ | 33.10 | _ | | | | | |

⁽a) Shares purchased includes approximately three million shares purchased and held by GM Cruise Holdings to hedge its exposure to cash settled share-based awards issued to certain of its employees. In addition, shares purchased consist of shares retained by us for the payment of the exercise price upon the exercise of warrants and shares delivered by employees or directors to us for the payment of taxes resulting from issuance of common stock upon the vesting of Restricted Stock Units (RSUs), Performance Stock Units (PSUs) and Restricted Stock Awards (RSAs) relating to compensation plans. In June 2017 our shareholders approved the 2017 Long Term Incentive Plan which authorizes awards of stock options, stock appreciation rights, RSAs, RSUs, PSUs or other stock-based awards to selected employees, consultants, advisors, and non-employee Directors of the Company. Refer to Note 23 to our consolidated financial statements for additional details on employee stock incentive plans and Note 20 to our consolidated financial statements for additional details on warrants outstanding.

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Item 6. Selected Financial Data

| | At and for the Years Ended December 31, | | | | | | | | |
|--|---|---------|----|---------|----|---------|----|---------|---------------|
| | | 2018 | | 2017 | | 2016 | | 2015 | 2014 |
| Income Statement Data: | | | | | | | | | |
| Total net sales and revenue | \$ | 147,049 | \$ | 145,588 | \$ | 149,184 | \$ | 135,725 | \$ 137,958 |
| Income from continuing operations(a) | \$ | 8,075 | \$ | 330 | \$ | 9,269 | \$ | 9,590 | \$ 4,525 |
| Basic earnings per common share – continuing operations(a) | \$ | 5.66 | \$ | 0.23 | \$ | 6.12 | \$ | 6.09 | \$ 2.06 |
| Diluted earnings per common share – continuing operations(a) | \$ | 5.58 | \$ | 0.22 | \$ | 6.00 | \$ | 5.89 | \$ 1.95 |
| Dividends declared per common share | \$ | 1.52 | \$ | 1.52 | \$ | 1.52 | \$ | 1.38 | \$ 1.20 |
| Balance Sheet Data: | | | | | | | | | |
| Total assets(b) | \$ | 227,339 | \$ | 212,482 | \$ | 221,690 | \$ | 194,338 | \$ 177,311 |
| Automotive notes and loans payable | \$ | 13,963 | \$ | 13,502 | \$ | 10,560 | \$ | 8,535 | \$ 9,084 |
| GM Financial notes and loans payable | \$ | 90,988 | \$ | 80,717 | \$ | 64,563 | \$ | 45,479 | \$ 29,304 |
| Total equity | \$ | 42,777 | \$ | 36,200 | \$ | 44,075 | \$ | 40,323 | \$ 36,024 |

⁽a) In the year ended December 31, 2018 we recorded charges of \$1.3 billion related to transformation activities including employee separation, accelerated depreciation and other charges, \$1.1 billion related to the closure of a facility and other restructuring actions in Korea, charges of \$0.4 billion for ignition switch related legal matters, and a non-recurring tax benefit of \$1.0 billion related to foreign earnings. In the year ended December 31, 2017 we recorded tax expense of \$7.3 billion related to U.S. tax reform legislation, \$2.3 billion related to the establishment of a valuation allowance against deferred tax assets that will no longer be realizable as a result of the sale of the Opel/Vauxhall Business, and charges of \$0.5 billion related to restructuring actions in India and South Africa. In the year ended December 31, 2015 we recorded the reversal of deferred tax asset valuation allowances of \$3.9 billion in Europe and recorded charges related to the Ignition Switch Recall Compensation Program (Compensation Program) and for various legal matters of approximately \$1.6 billion. In the year ended December 31, 2014 we recorded charges of approximately \$2.8 billion in Automotive and other cost of sales related to recall campaigns and courtesy transportation, a catch-up adjustment of \$0.9 billion related to the change in estimate for recall campaigns and a charge of \$0.4 billion related to the Compensation Program. In December 2014 we redeemed all of the remaining shares of our Series A Preferred Stock for \$3.9 billion, which reduced Income from continuing operations by \$0.8 billion.

⁽b) In January 2017 we announced that our Board of Directors had authorized the purchase of up to an additional \$5.0 billion of our common stock with no expiration date.

⁽b) Total assets included assets held for sale of \$20.6 billion, \$20.0 billion, and \$17.8 billion at December 31, 2016, 2015 and 2014.

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Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

This Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A) should be read in conjunction with the accompanying audited consolidated financial statements and notes. Forward-looking statements in this MD&A are not guarantees of future performance and may involve risks and uncertainties that could cause actual results to differ materially from those projected. Refer to the "Forward-Looking Statements" section of this MD&A and Item 1A. Risk Factors for a discussion of these risks and uncertainties.

Non-GAAP Measures Unless otherwise indicated, our non-GAAP measures discussed in this MD&A are related to our continuing operations and not our discontinued operations. Our non-GAAP measures include: earnings before interest and taxes (EBIT)-adjusted, presented net of noncontrolling interests; Core EBIT-adjusted; earnings per share (EPS)-diluted-adjusted; effective tax rate-adjusted (ETR-adjusted); return on invested capital-adjusted (ROIC-adjusted) and adjusted automotive free cash flow. Our calculation of these non-GAAP measures may not be comparable to similarly titled measures of other companies due to potential differences between companies in the method of calculation. As a result, the use of these non-GAAP measures has limitations and should not be considered superior to, in isolation from, or as a substitute for, related U.S. GAAP measures.

These non-GAAP measures allow management and investors to view operating trends, perform analytical comparisons and benchmark performance between periods and among geographic regions to understand operating performance without regard to items we do not consider a component of our core operating performance. Furthermore, these non-GAAP measures allow investors the opportunity to measure and monitor our performance against our externally communicated targets and evaluate the investment decisions being made by management to improve ROIC-adjusted. Management uses these measures in its financial, investment and operational decision-making processes, for internal reporting and as part of its forecasting and budgeting processes. Further, our Board of Directors uses certain of these and other measures as key metrics to determine management performance under our performance-based compensation plans. For these reasons we believe these non-GAAP measures are useful for our investors.

EBIT-adjusted EBIT-adjusted is presented net of noncontrolling interests and is used by management and can be used by investors to review our consolidated operating results because it excludes automotive interest income, automotive interest expense and income taxes as well as certain additional adjustments that are not considered part of our core operations. Examples of adjustments to EBIT include but are not limited to impairment charges on long-lived assets and other exit costs resulting from strategic shifts in our operations or discrete market and business conditions; costs arising from the ignition switch recall and related legal matters; and certain currency devaluations associated with hyperinflationary economies. For EBIT-adjusted and our other non-GAAP measures, once we have made an adjustment in the current period for an item, we will also adjust the related non-GAAP measure in any future periods in which there is an impact from the item.

Core EBIT-adjusted Core EBIT-adjusted is used by management and can be used by investors to review our core consolidated operating results. Core EBIT-adjusted begins with EBIT-adjusted and excludes the EBIT-adjusted results of GM Cruise. Prior to the three months ended June 30, 2018 Core EBIT-adjusted excluded the EBIT-adjusted results of autonomous vehicle operations, including GM Cruise, Maven and our investment in Lyft, Inc. (Lyft). The measure was changed to align with segment reporting. All periods presented have been recast to reflect the changes.

EPS-diluted-adjusted EPS-diluted-adjusted is used by management and can be used by investors to review our consolidated diluted EPS results on a consistent basis. EPS-diluted-adjusted is calculated as net income attributable to common stockholders-diluted less income (loss) from discontinued operations on an after-tax basis, adjustments noted above for EBIT-adjusted and certain income tax adjustments divided by weighted-average common shares outstanding-diluted. Examples of income tax adjustments include the establishment or reversal of significant deferred tax asset valuation allowances.

ETR-adjusted ETR-adjusted is used by management and can be used by investors to review the consolidated effective tax rate for our core operations on a consistent basis. ETR-adjusted is calculated as Income tax expense less the income tax related to the adjustments noted above for EBIT-adjusted and the income tax adjustments noted above for EPS-diluted-adjusted divided by Income before income taxes less adjustments.

ROIC-adjusted ROIC-adjusted is used by management and can be used by investors to review our investment and capital allocation decisions. We define ROIC-adjusted as EBIT-adjusted for the trailing four quarters divided by ROIC-adjusted average net assets, which is considered to be the average equity balances adjusted for average automotive debt and interest liabilities, exclusive of capital leases; average automotive net pension and other postretirement benefits (OPEB) liabilities; and average

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automotive net income tax assets during the same period. Adjustments to the average equity balances exclude assets and liabilities classified as either assets held for sale or liabilities held for sale.

Adjusted automotive free cash flow Adjusted automotive free cash flow is used by management and can be used by investors to review the liquidity of our automotive operations and to measure and monitor our performance against our capital allocation program and evaluate our automotive liquidity against the substantial cash requirements of our automotive operations. We measure adjusted automotive free cash flow as automotive operating cash flow from continuing operations less capital expenditures adjusted for management actions. Management actions can include voluntary events such as discretionary contributions to employee benefit plans or nonrecurring specific events such as a closure of a facility that are considered special for EBIT-adjusted purposes. Refer to the "Liquidity and Capital Resources" section of this MD&A for additional information.

The following table reconciles Net income (loss) attributable to stockholders under U.S. GAAP to EBIT-adjusted:

| Years Ended December 31, | | | | | | | | | |
|--------------------------|--------|---|---|---|--|--|--|--|--|
| | 2018 | | 2017 | | 2016 | | | | |
| \$ | 8,014 | \$ | (3,864) | \$ | 9,427 | | | | |
| | 70 | | 4,212 | | 1 | | | | |
| | 474 | | 11,533 | | 2,739 | | | | |
| | 655 | | 575 | | 563 | | | | |
| | (335) | | (266) | | (182) | | | | |
| | | | | | | | | | |
| | 1,327 | | _ | | _ | | | | |
| | 1,138 | | 540 | | _ | | | | |
| | 440 | | 114 | | 300 | | | | |
| | 2,905 | | 654 | | 300 | | | | |
| \$ | 11,783 | \$ | 12,844 | \$ | 12,848 | | | | |
| | \$ | \$ 8,014 70 474 655 (335) 1,327 1,138 440 2,905 | \$ 8,014 \$ 70 474 655 (335) 1,327 1,138 440 2,905 | 2018 2017 \$ 8,014 \$ (3,864) 70 4,212 474 11,533 655 575 (335) (266) 1,327 — 1,138 540 440 114 2,905 654 | 2018 2017 \$ 8,014 \$ (3,864) \$ 70 4,212 474 11,533 655 575 (335) (266) 1,327 — 1,138 540 440 114 2,905 654 | | | | |

⁽a) These adjustments were excluded because of a strategic decision to accelerate our transformation for the future to strengthen our core business, capitalize on the future of personal mobility, and drive significant cost efficiencies. The adjustments primarily consist of employee separation charges and accelerated depreciation.

The following table reconciles EBIT-adjusted to Core EBIT-adjusted:

| | | Years Er | ided December 3 | 31, | |
|--------------------------------|--------------|----------|-----------------|-----|--------|
| | 2018 | | 2017 | | 2016 |
| EBIT-adjusted(a) | \$ 11,783 | \$ | 12,844 | \$ | 12,848 |
| EBIT loss-adjusted – GM Cruise | 728 | | 613 | | 171 |
| Core EBIT-adjusted | \$ 12,511 | \$ | 13,457 | \$ | 13,019 |

⁽a) Refer to the reconciliation of Net income (loss) attributable to stockholders under U.S. GAAP to EBIT-adjusted within this section of the MD&A.

⁽b) These adjustments were excluded because of a strategic decision to rationalize our core operations by exiting or significantly reducing our presence in various international markets to focus resources on opportunities expected to deliver higher returns. The adjustments primarily consist of employee separation charges, asset impairments and supplier claims in the year ended December 31, 2018, all in Korea. The adjustment in the year ended December 31, 2017 primarily consists of asset impairments and other restructuring actions in India, South Africa and Venezuela.

⁽c) These adjustments were excluded because of the unique events associated with the ignition switch recall, which included various investigations, inquiries and complaints from constituents.

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The following table reconciles diluted earnings (loss) per common share under U.S. GAAP to EPS-diluted-adjusted:

| | Years Ended December 31, | | | | | | | | | | | | | |
|---|--------------------------|---------|-----|---------|----|---------|----|----------|----|--------|----|---------|--|--|
| | | 20 | 018 | | | 20 | 17 | | | | | | | |
| | A | Amount | Pe | r Share | | Amount | Pe | er Share | A | Amount | Pe | r Share | | |
| Diluted earnings (loss) per common share | \$ | 7,916 | \$ | 5.53 | \$ | (3,880) | \$ | (2.60) | \$ | 9,427 | \$ | 6.00 | | |
| Diluted loss per common share – discontinued operations | | 70 | | 0.05 | | 4,212 | | 2.82 | | 1 | | _ | | |
| Adjustments(a) | | 2,905 | | 2.03 | | 654 | | 0.44 | | 300 | | 0.19 | | |
| Tax effect on adjustments(b) | | (416) | | (0.29) | | (208) | | (0.14) | | (114) | | (0.07) | | |
| Tax adjustments(c) | | (1,111) | | (0.78) | | 9,099 | | 6.10 | | _ | | _ | | |
| EPS-diluted-adjusted | \$ | 9,364 | \$ | 6.54 | \$ | 9,877 | \$ | 6.62 | \$ | 9,614 | \$ | 6.12 | | |
| | | | | | | | | | | | _ | | | |

- (a) Refer to the reconciliation of Net income (loss) attributable to stockholders under U.S. GAAP to EBIT-adjusted within this section of the MD&A for adjustment details.
- (b) The tax effect of each adjustment is determined based on the tax laws and valuation allowance status of the jurisdiction to which the adjustment relates.
- (c) In the year ended December 31, 2018 the adjustment consists of: (1) a non-recurring tax benefit related to foreign earnings; and (2) tax effects related to U.S. tax reform legislation. In the year ended December 31, 2017 the adjustment consisted of the tax expense of \$7.3 billion related to U.S. tax reform legislation and the establishment of a valuation allowance against deferred tax assets of \$2.3 billion that are no longer realizable as a result of the sale of the Opel/Vauxhall Business, partially offset by tax benefits related to tax settlements. These adjustments were excluded because impacts of tax legislation and valuation allowances are not considered part of our core operations.

The following table reconciles our effective tax rate under U.S. GAAP to ETR-adjusted:

| | | | | | Years | End | ed Decemb | er 31, | | | |
|--------------------|-------------------------------|---------------------|-------------------|------|------------------------------|-----|---------------------|--------------------|--------------|-------------|--------------------|
| | | 2018 | | | | | 2017 | | | 2016 | |
| | Income before ome taxes | come tax expense | Effecti tax ra | | ome before come taxes | | come tax expense | Effective tax rate | come before | come tax | Effective tax rate |
| Effective tax rate | \$ 8,549 | \$ 474 | 5 | 5.5% | \$ 11,863 | \$ | 11,533 | 97.2% | \$ 12,008 | \$ 2,739 | 22.8% |
| Adjustments(a) | 2,946 | 416 | | | 654 | | 208 | | 300 | 114 | |
| Tax | | | | | | | | | | | |
| adjustments(b) | | 1,111 | | | | | (9,099) | | | _ | |
| ETR-adjusted | \$ 11,495 | \$ 2,001 | 17 | ′.4% | \$ 12,517 | \$ | 2,642 | 21.1% | \$ 12,308 | \$ 2,853 | 23.2% |

⁽a) Refer to the reconciliation of Net income (loss) attributable to stockholders under U.S. GAAP to EBIT-adjusted within this section of the MD&A for adjustment details. Net income attributable to noncontrolling interests for these adjustments is included in the year ended December 31, 2018.

We define return on equity (ROE) as Net income (loss) attributable to stockholders for the trailing four quarters divided by average equity for the same period. Management uses average equity to provide comparable amounts in the calculation of ROE. The following table summarizes the calculation of ROE (dollars in billions):

| | Ye | ars En | ded Decembe | er 31, | |
|--|------------|--------|-------------|--------|-------|
| | 2018 | | 2017 | | 2016 |
| Net income (loss) attributable to stockholders | \$ 8.0 | \$ | (3.9) | \$ | 9.4 |
| Average equity(a) | \$ 37.4 | \$ | 42.2 | \$ | 43.6 |
| ROE | 21.4% | | (9.2)% | | 21.6% |

⁽a) Includes equity of noncontrolling interests where the corresponding earnings (loss) are included in Net income (loss) attributable to stockholders.

⁽b) Refer to the reconciliation of diluted earnings (loss) per common share under U.S. GAAP to EPS-diluted-adjusted within this section of the MD&A for adjustment details.

The following table summarizes the calculation of ROIC-adjusted (dollars in billions):

| | Yea | ars En | ded Decembe | er 31, | |
|--|------------|--------|-------------|--------|--------|
| | 2018 | | 2017 | | 2016 |
| EBIT-adjusted(a) | \$ 11.8 | \$ | 12.8 | \$ | 12.8 |
| Average equity(b) | \$ 37.4 | \$ | 42.2 | \$ | 43.6 |
| Add: Average automotive debt and interest liabilities (excluding capital leases) | 14.4 | | 11.6 | | 9.9 |
| Add: Average automotive net pension & OPEB liability | 18.3 | | 21.0 | | 22.0 |
| Less: Average automotive net income tax asset | (22.7) | | (29.3) | | (32.8) |
| ROIC-adjusted average net assets | \$ 47.4 | \$ | 45.5 | \$ | 42.7 |
| ROIC-adjusted | 24.9% | | 28.2% | | 30.1% |

⁽a) Refer to the reconciliation of Net income (loss) attributable to stockholders under U.S. GAAP to EBIT-adjusted within this section of the MD&A.

Overview Our management team has adopted a strategic plan to transform GM into the world's most valued automotive company. Our plan includes several major initiatives that we anticipate will redefine the future of personal mobility through our zero crashes, zero emissions, zero congestion vision while also strengthening the core of our business: earning customers for life by delivering winning vehicles, leading the industry in quality and safety and improving the customer ownership experience; leading in technology and innovation, including electrification, autonomous, data connectivity; growing our brands; making tough, strategic decisions about which markets and products in which we will invest and compete; building profitable adjacent businesses and targeting 10% core margins on an EBIT-adjusted basis.

In addition to our EBIT-adjusted margin improvement goal, through 2018 we fully realized our financial targets of \$6.5 billion in total annual operational and functional cost savings compared to 2014 costs.

For the year ending December 31, 2019 we expect EPS-diluted of between \$5.17 and \$6.00 and EPS-diluted-adjusted of between \$6.50 and \$7.00. The following table reconciles expected EPS-diluted under U.S. GAAP to expected EPS-diluted-adjusted and includes the future impact of the expected adjustment related to transformation activities:

| | Year Ending December 31, 2019 |
|--|----------------------------------|
| Diluted earnings per common share | \$ 5.17-6.00 |
| Adjustment – transformation activities | 1.17-1.59 |
| Tax effect on adjustment(a) | (0.17-0.26) |
| EPS-diluted-adjusted | \$ 6.50-7.00 |

⁽a) The tax effect of the adjustment is determined based on the tax laws and valuation allowance status of the jurisdiction to which the adjustment relates.

We face continuing market, operating and regulatory challenges in a number of countries across the globe due to, among other factors, weak economic conditions, competitive pressures, our product portfolio offerings, heightened emissions standards, foreign exchange volatility, rising materials prices, trade policy and political uncertainty. As a result of these conditions, we continue to strategically assess our performance and ability to achieve acceptable returns on our invested capital, as well as our cost structure in order to maintain a low breakeven point. Refer to Item 1A. Risk Factors for a discussion of these challenges. We expect transformation activities to drive approximately \$6.0 billion of annual cash savings by the end of 2020, resulting from reductions in Automotive and other cost of sales in our consolidated financial statements, as well as reduced capital expenditures. This target includes approximately \$4.5 billion of cost savings, to be achieved through staffing, manufacturing and product initiatives. As we continue to assess our performance and the needs of our evolving business, additional restructuring and rationalization actions could be required. These additional actions could give rise to future asset impairments or other charges which may have a material impact on our results of operations.

⁽b) Includes equity of noncontrolling interests where the corresponding earnings (loss) are included in EBIT-adjusted.

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GMNA Industry sales in North America were 21.5 million units in the year ended December 31, 2018 representing a decrease of 0.1% compared to the corresponding period in 2017. U.S. industry sales were 17.7 million units in the year ended December 31, 2018.

Our total vehicle sales in the U.S., our largest market in North America, totaled 3.0 million units for market share of 16.7% in the year ended December 31, 2018 representing a decrease of 0.4 percentage points compared to the corresponding period in 2017. We continue to lead the U.S. industry in market share.

In November 2018 we announced plans to accelerate steps to improve our overall business performance including the reorganization of global product development staffs, the realignment of manufacturing capacity in response to market-related volume declines in passenger cars and a reduction of our salaried workforce. We recorded charges of \$1.2 billion in the year ended December 31, 2018 and expect to record additional charges of \$1.5 billion to \$2.0 billion in 2019. These charges are primarily considered special for EBIT-adjusted, EPS diluted-adjusted, and adjusted automotive free cash flow purposes.

We estimate GMNA's breakeven point at the U.S. industry level to be in the range of 10.0 to 11.0 million units. We expect to sustain a strong EBIT-adjusted margin in 2019 on continued strength of the U.S. industry light vehicle sales, favorable vehicle mix and continued focus on overall cost savings partially offset by higher costs associated with commodities and tariffs, as well as pricing pressures.

The UAW contract ratified in November 2015 expires in September 2019. For discussion of the risks related to a significant labor disruption at one of our facilities, refer to Item 1A. Risk Factors.

GMI Industry sales in China were 26.5 million units in the year ended December 31, 2018 representing a decrease of 6.3% compared to the corresponding period in 2017. Our total vehicle sales in China were 3.6 million units for a market share of 13.8% in the year ended December 31, 2018, representing a decrease of 0.5 percentage points compared to the corresponding period in 2017. We continue to see strength in sales of our Cadillac vehicles, and Chevrolet outperformed the passenger vehicle industry. Baojun and Wuling sales were impacted by the market slowdown in less developed cities and market shift away from mini commercial vehicles. Our Automotive China JVs generated equity income of \$2.0 billion in the year ended December 31, 2018. In 2019 we expect industry sales to remain relatively flat with a continuation of pricing pressures, a more challenging regulatory environment related to emissions, fuel consumption and new energy vehicles as well as a weaker Chinese Yuan against the U.S. Dollar, which will continue to put pressure on our operations in China. While we expect China equity income to be moderately down, we expect to sustain strong China equity income by focusing on improvements in vehicle mix, cost efficiencies, and downstream performance optimization.

Outside of China, many markets across the segment continue to improve, resulting in industry sales of 26.7 million units, representing an increase of 5.0% in the year ended December 31, 2018 compared to the corresponding period in 2017. This increase was due primarily to increases in India and Brazil. Our total vehicle sales were 1.2 million units for a market share of 4.7% in the year ended December 31, 2018, representing a decrease of 0.4 percentage points compared to the corresponding period in 2017.

In February 2018 we announced the closure of a facility and other restructuring actions in Korea. We recorded charges of \$1.1 billion consisting of \$0.6 billion in non-cash asset impairments and other charges and \$0.5 billion in employee separation charges in the year ended December 31, 2018. We incurred \$0.8 billion in cash outflows resulting from these Korea restructuring actions for employee separations and statutory pension payments in the year ended December 31, 2018. The charges are considered special for EBIT-adjusted, EPS-diluted-adjusted and adjusted automotive free cash flow reporting purposes. Refer to Note 18 to our consolidated financial statements for information related to these restructuring actions.

In connection with these restructuring actions, the Korea Development Bank (KDB) purchased approximately \$0.7 billion of GM Korea Company's (GM Korea) Class B Preferred Shares from GM Korea (GM Korea Preferred Shares) in 2018. In conjunction with the GM Korea Preferred Share issuance we agreed to provide GM Korea future funding, if needed, not to exceed \$2.8 billion through December 31, 2027, inclusive of \$2.0 billion of planned capital expenditures through 2027. The actions being taken to address GM Korea's financial and operational performance have and may continue to result in litigation, negative publicity, business disruption, and labor unrest. Refer to Note 20 to our consolidated financial statements for additional information.

GM Cruise In June 2018 GM Cruise Holdings issued \$0.9 billion of convertible preferred shares (GM Cruise Preferred Shares) to SoftBank Investments Holdings (UK) Limited (SoftBank). Immediately prior to the issuance of the GM Cruise Preferred Shares, we invested \$1.1 billion in GM Cruise Holdings. When GM Cruise's autonomous vehicles are ready for commercial deployment, SoftBank is obligated to purchase additional GM Cruise Preferred Shares for \$1.35 billion, subject to regulatory approval. All

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proceeds are designated exclusively for working capital and general corporate purposes of GM Cruise. Refer to Note 20 to our consolidated financial statements for additional information.

In October 2018 GM Cruise Holdings issued \$0.75 billion of GM Cruise Holdings Class E Common Shares to Honda, representing 5.7% of the fully diluted equity of GM Cruise Holdings at closing. In addition, Honda agreed to contribute approximately \$2.0 billion primarily in the form of a long-term annual fee to GM Cruise Holdings for certain rights to use GM Cruise Holdings' trade names and trademarks and the exclusive right to partner with GM Cruise Holdings to develop, deploy and maintain a foreign market. The remaining contribution or funding will come in the form of shared development costs for a SAV that Honda, General Motors Holdings LLC and GM Cruise Holdings will jointly develop for deployment onto GM Cruise's autonomous vehicle network. All proceeds are designated exclusively for working capital and general corporate purposes of GM Cruise. Refer to Note 20 to our consolidated financial statements for additional information.

Corporate Beginning in 2012 through January 25, 2019, we purchased an aggregate of 510 million shares of our outstanding common stock for \$16.4 billion.

The ignition switch recall has led to various inquiries, investigations, subpoenas, requests for information and complaints from agencies or other representatives of U.S., federal, state and Canadian governments. In addition these and other recalls have resulted in a number of claims and lawsuits. Such lawsuits and investigations could in the future result in the imposition of material damages, fines, civil consent orders, civil and criminal penalties or other remedies. Refer to Note 16 to our consolidated financial statements for additional information.

Takata Matters In May 2016 NHTSA issued an amended consent order requiring Takata to file defect information reports (DIRs) for previously unrecalled front airbag inflators that contain phased-stabilized ammonium nitrate-based propellant without a moisture absorbing desiccant on a multi-year, risk-based schedule through 2019 impacting tens of millions of vehicles produced by numerous automotive manufacturers. NHTSA concluded that the likely root cause of the rupturing of the airbag inflators is a function of time, temperature cycling and environmental moisture.

Although we do not believe there is a safety defect at this time in any unrecalled GM vehicles within scope of the Takata DIRs, in cooperation with NHTSA we have filed Preliminary DIRs covering certain of our GMT900 vehicles, which are full-size pickup trucks and SUVs. We have also filed petitions for inconsequentiality with respect to the vehicles subject to those Preliminary DIRs. NHTSA has consolidated our petitions and will rule on them at the same time.

While these petitions have been pending, we have provided NHTSA with the results of our long-term studies and the studies performed by third-party experts, all of which form the basis for our determination that the inflators in these vehicles do not present an unreasonable risk to safety and that no repair should ultimately be required.

We believe these vehicles are currently performing as designed and our inflator aging studies and field data support the belief that the vehicles' unique design and integration mitigates against inflator propellant degradation and rupture risk. For example, the airbag inflators used in the vehicles are a variant engineered specifically for our vehicles, and include features such as greater venting, unique propellant wafer configurations, and machined steel end caps. The inflators are packaged in the instrument panel in such a way as to minimize exposure to moisture from the climate control system. Also, these vehicles have features that minimize the maximum temperature to which the inflator will be exposed, such as larger interior volumes and standard solar absorbing windshields and side glass.

Accordingly, no warranty provision has been made for any repair associated with our vehicles subject to the Preliminary DIRs and amended consent order. However, in the event we are ultimately obligated to repair the vehicles subject to current or future Takata DIRs under the amended consent order in the U.S., we estimate a reasonably possible impact to GM of approximately \$1.2 billion.

GM has recalled certain vehicles sold outside of the U.S. to replace Takata inflators in those vehicles. There are significant differences in vehicle and inflator design between the relevant vehicles sold internationally and those sold in the U.S. We continue to gather and analyze evidence about these inflators and to share our findings with regulators. Additional recalls, if any, could be material to our results of operations and cash flows. We continue to monitor the international situation.

Contingently Issuable Shares Under the Amended and Restated Master Sale and Purchase Agreement between us and MLC, GM may be obligated to issue Adjustment Shares of our common stock if allowed general unsecured claims against the GUC

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Trust, as estimated by the Bankruptcy Court, exceed \$35.0 billion. Refer to Note 16 to our consolidated financial statements for a description of the contingently issuable Adjustment Shares.

Automotive Financing - GM Financial Summary and Outlook We believe that offering a comprehensive suite of financing products will generate incremental sales of our vehicles, drive incremental GM Financial earnings and help support our sales throughout various economic cycles. The expansion of GM Financial's leasing program results in increased exposure to residual values, which are heavily dependent on used vehicle prices. Used vehicle prices in 2018 held at similar levels as compared to 2017. We expect a decrease of 4% to 5% in 2019 compared to 2018, due primarily to continued increases in the industry supply of used vehicles. The following table summarizes the residual value as well as the number of units included in GM Financial equipment on operating leases, net by vehicle type (units in thousands):

| | | | December 31, 2018 | 3 | December 31, 2017 | | | | | | | | |
|------------|-----|-------------|-------------------|------------|-------------------|--------------|-------|------------|--|--|--|--|--|
| | Res | idual Value | Units | Percentage | Res | sidual Value | Units | Percentage | | | | | |
| Cars | \$ | 4,884 | 379 | 22.3% | \$ | 5,701 | 450 | 27.2% | | | | | |
| Trucks | | 7,299 | 296 | 17.4% | | 7,173 | 285 | 17.3% | | | | | |
| Crossovers | | 15,057 | 917 | 53.8% | | 13,723 | 818 | 49.5% | | | | | |
| SUVs | | 4,160 | 111 | 6.5% | | 3,809 | 99 | 6.0% | | | | | |
| Total | \$ | 31,400 | 1,703 | 100.0% | \$ | 30,406 | 1,652 | 100.0% | | | | | |

During 2018 GM Financial continued to expand its prime lending programs in North America. Accordingly, GM Financial's retail penetration in North America increased to approximately 47% in the year ended December 31, 2018 from approximately 37% in 2017, due primarily to further alignment with GM and greater dealer engagement. GM Financial's prime loan originations as a percentage of total loan originations in North America increased to 72% in 2018 from 61% in 2017. In the year ended December 31, 2018 GM Financial's revenue consisted of leased vehicle income of 71%, retail finance charge income of 22%, and commercial finance charge income of 4%.

Consolidated Results We review changes in our results of operations under five categories: volume, mix, price, cost and other. Volume measures the impact of changes in wholesale vehicle volumes driven by industry volume, market share and changes in dealer stock levels. Mix measures the impact of changes to the regional portfolio due to product, model, trim, country and option penetration in current year wholesale vehicle volumes. Price measures the impact of changes related to Manufacturer's Suggested Retail Price and various sales allowances. Cost includes primarily: (1) material and freight; (2) manufacturing, engineering, advertising, administrative and selling and warranty expense; and (3) non-vehicle related activity. Other includes primarily foreign exchange and non-vehicle related automotive revenues as well as equity income or loss from our nonconsolidated affiliates. Refer to the regional sections of this MD&A for additional information. We adopted Accounting Standards Update (ASU) 2014-09, "Revenue from Contracts with Customers," as amended (ASU 2014-09) on a modified retrospective basis effective January 1, 2018. The impacts of the new standard are reflected in this MD&A. Refer to Note 2 of our consolidated financial statements or additional information.

Total Net Sales and Revenue

| | Years Ended | Dec | ember 31, | , Favorable/ | | | Variance Due To | | | | | | | | | |
|-----------------------------|-----------------|-----|-----------|---------------|---------|---------|-----------------|-------|----|-----------|-------|--------|----|-------|--|--|
| | 2018 | | 2017 | (Unfavorable) | | % | Volume | | | Mix |] | Price | (| Other | | |
| | | | | | | | | | (| Dollars i | n bil | lions) | | | | |
| GMNA | \$ 113,792 | \$ | 111,345 | \$ | 2,447 | 2.2 % | \$ | 1.4 | \$ | (0.7) | \$ | 1.4 | \$ | 0.3 | | |
| GMI | 19,148 | | 21,920 | | (2,772) | (12.6)% | \$ | (1.7) | \$ | (0.2) | \$ | 0.4 | \$ | (1.2) | | |
| Corporate | 203 | | 342 | | (139) | (40.6)% | | | | | | | \$ | (0.1) | | |
| Automotive | 133,143 | | 133,607 | | (464) | (0.3)% | \$ | (0.3) | \$ | (0.9) | \$ | 1.8 | \$ | (1.0) | | |
| GM Financial | 14,016 | | 12,151 | | 1,865 | 15.3 % | | | | | | | \$ | 1.9 | | |
| Eliminations | (110) | | (170) | | 60 | 35.3 % | | | \$ | (0.1) | | | \$ | 0.1 | | |
| Total net sales and revenue | \$ 147,049 | \$ | 145,588 | \$ | 1,461 | 1.0 % | \$ | (0.3) | \$ | (0.9) | \$ | 1.8 | \$ | 1.0 | | |

| | Years Ended | Dec | ember 31, | - Favorable/ | | | Variance Due To | | | | | | | | | |
|-----------------------------|-----------------|------|-----------|---------------|---------|--------|-----------------|--------|----|---------|--------|--------|----|-------|--|--|
| | 2017 | 2016 | | (Unfavorable) | | % | Volume | | | Mix |] | Price | (| Other | | |
| | . | | | | | | | | (| Dollars | in bil | lions) | | | | |
| GMNA | \$ 111,345 | \$ | 119,113 | \$ | (7,768) | (6.5)% | \$ | (12.2) | \$ | 3.5 | \$ | 0.6 | \$ | 0.3 | | |
| GMI | 21,920 | | 20,943 | | 977 | 4.7 % | \$ | 0.2 | \$ | 0.2 | \$ | 0.6 | \$ | _ | | |
| Corporate | 342 | | 149 | | 193 | n.m. | | | | | | | \$ | 0.2 | | |
| Automotive | 133,607 | | 140,205 | | (6,598) | (4.7)% | \$ | (12.0) | \$ | 3.7 | \$ | 1.3 | \$ | 0.5 | | |
| GM Financial | 12,151 | | 8,983 | | 3,168 | 35.3 % | | | | | | | \$ | 3.2 | | |
| Eliminations | (170) | | (4) | | (166) | n.m. | | | | | | | \$ | (0.2) | | |
| Total net sales and revenue | \$ 145,588 | \$ | 149,184 | \$ | (3,596) | (2.4)% | \$ | (12.0) | \$ | 3.7 | \$ | 1.3 | \$ | 3.5 | | |

n.m. = not meaningful

Automotive and Other Cost of Sales

| | Years Ended | Dec | ember 31, | — Favorable/ | | | Variance Due To | | | | | | | | | |
|--|---------------------|-----|-----------|--------------|--------------------------|---------|-----------------|-------|-----------|-------|---------|-------|----|-------|--|--|
| | 2018 2017 | | 2017 | | avorable/ ifavorable) | % | V | olume | Mix | | Cost | | (| Other | | |
| | D 00 445 D 04 102 d | | | | | | | (| Dollars i | n bi | llions) | | | | | |
| GMNA | \$ 99,445 | \$ | 94,193 | \$ | (5,252) | (5.6)% | \$ | (1.0) | \$ | (0.9) | \$ | (3.5) | \$ | 0.1 | | |
| GMI | 20,418 | | 21,478 | | 1,060 | 4.9 % | \$ | 1.4 | \$ | 0.3 | \$ | (1.2) | \$ | 0.5 | | |
| Corporate | 178 | | 129 | | (49) | (38.0)% | | | \$ | _ | \$ | 0.2 | \$ | (0.2) | | |
| GM Cruise | 715 | | 592 | | (123) | (20.8)% | | | | | \$ | (0.1) | | | | |
| Eliminations | (100) | | (163) | | (63) | (38.7)% | | | \$ | 0.1 | \$ | (0.1) | | | | |
| Total automotive and other cost of sales | \$ 120,656 | \$ | 116,229 | \$ | (4,427) | (3.8)% | \$ | 0.5 | \$ | (0.5) | \$ | (4.8) | \$ | 0.4 | | |

| | | Years Ended | Dec | ember 31, | — Favorable/ | | | Variance Due To | | | | | | | | |
|--|---------|-------------|--------------------|-----------|--------------|---------|---------|-----------------|-------|----|-----------|-------|---------|----|-------|--|
| | | 2017 | 2016 (Unfavorable) | | % | V | Volume | | Mix | | Cost | (| Other | | | |
| | | | | | | | | | | (| Dollars i | n bil | llions) | | | |
| GMNA | \$ | 94,193 | \$ | 101,073 | \$ | 6,880 | 6.8 % | \$ | 8.7 | \$ | (2.7) | \$ | 1.1 | \$ | (0.3) | |
| GMI | | 21,478 | | 20,459 | | (1,019) | (5.0)% | \$ | (0.1) | \$ | (0.5) | \$ | (0.1) | \$ | (0.3) | |
| Corporate | | 129 | | 85 | | (44) | (51.8)% | | | \$ | _ | \$ | (0.2) | \$ | 0.2 | |
| GM Cruise | | 592 | | 171 | | (421) | n.m. | | | | | \$ | (0.4) | | | |
| Eliminations | | (163) | | (4) | | 159 | n.m. | | | | | \$ | 0.2 | \$ | | |
| Total automotive and other cost of sales | r \$ | 116,229 | \$ | 121,784 | \$ | 5,555 | 4.6 % | \$ | 8.6 | \$ | (3.1) | \$ | 0.5 | \$ | (0.4) | |

n.m. = not meaningful

The most significant element of our Automotive and other cost of sales is material cost which makes up approximately two-thirds of the total amount. The remaining portion includes labor costs, depreciation and amortization, engineering, freight and product warranty and recall campaigns.

Factors which most significantly influence a region's profitability are industry volume, market share, and the relative mix of vehicles (trucks, crossovers, cars) sold. Variable profit is a key indicator of product profitability. Variable profit is defined as revenue less material cost, freight, the variable component of manufacturing expense and warranty and recall-related costs. Vehicles with higher selling prices generally have higher variable profit. Refer to the regional sections of this MD&A for additional information on volume and mix.

In the year ended December 31, 2018 unfavorable Cost was due primarily to: (1) increased raw material and freight costs related to carryover vehicles of \$1.3 billion; (2) charges of \$1.3 billion primarily related to employee separation charges and accelerated depreciation resulting from the transformation activities; (3) increased other costs of \$1.2 billion primarily related to manufacturing, engineering and warranty; (4) increased material and freight costs of \$1.2 billion related to vehicles launched within the last twelve

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months incorporating significant exterior and/or interior changes (Majors); and (5) a net increase in charges of \$0.7 billion primarily related to asset impairments and employee separation charges in Korea in 2018, partially offset by restructuring actions in India and South Africa in 2017; partially offset by (6) favorable material performance of \$1.1 billion related to carryover vehicles. In the year ended December 31, 2018 favorable Other was due to the foreign currency effect resulting from the weakening of the Brazilian Real and other currencies, partially offset by the strengthening of various currencies against the U.S. Dollar.

In the year ended December 31, 2017 favorable Cost was due primarily to: (1) decreased warranty costs of \$1.4 billion; (2) decreased employee related costs of \$0.8 billion; (3) decreased material and freight costs of \$0.7 billion related to carryover vehicles; and (4) decreased restructuring costs related to UAW cash severance incentive program of \$0.2 billion in 2016 that did not recur in 2017; partially offset by (5) increased material and freight costs of \$1.4 billion related to Majors; (6) increased engineering costs of \$0.7 billion; and (7) charges of \$0.4 billion related to restructuring actions in India and South Africa. In the year ended December 31, 2017 unfavorable Other was due primarily to the foreign currency effect of \$0.4 billion due to the strengthening of the Brazilian Real and other currencies against the U.S. Dollar.

Automotive and Other Selling, General and Administrative Expense

| | Yea | rs Enc | ded Decemb | er 31 | , | Year Endo 2018 vs. 2017 (| | Year End 2017 vs. 2016 (| |
|--|-------------|--------|------------|-------|--------|------------------------------|--------|-----------------------------|------|
| | 2018 | | 2017 | | 2016 | vorable/ favorable) | % | vorable/ favorable) | % |
| Automotive and other selling, general and administrative expense | \$ 9,650 | \$ | 9,570 | \$ | 10,345 | \$ (80) | (0.8)% | \$ 775 | 7.5% |

In the year ended December 31, 2018 Automotive and other selling, general and administrative expense increased due primarily to an increase in charges of \$0.3 billion for ignition switch related legal matters; partially offset by decreased advertising costs of \$0.3 billion.

In the year ended December 31, 2017 Automotive and other selling, general and administrative expense decreased due primarily to decreased advertising costs of \$0.4 billion and a decrease in net charges of \$0.2 billion for ignition switch related legal matters.

Interest Income and Other Non-operating Income, net

| | Year | rs En | ded Decemb | er 31 | , | | Year End 2018 vs. 2017 | | Year Ended 2017 vs. 2016 Change | | | |
|---------------------------|-------------|-------|------------|-------|-------|-------------------------------|---------------------------|-------|--|------|--|--|
| | 2018 2017 | | | | 2016 | Favorable/ (Unfavorable) % | | | avorable/ ifavorable) | % | | |
| Interest income and other | | | | | | | | | | | | |
| non-operating income, net | \$ 2,596 | \$ | 1,645 | \$ | 1,603 | \$ | 951 | 57.8% | \$ 42 | 2.6% | | |

In the year ended December 31, 2018 Interest income and other non-operating income, net increased due primarily to: (1) increased non-service pension and OPEB income of \$0.3 billion; (2) favorable revaluation of investments of \$0.3 billion; and (3) \$0.2 billion from licensing agreements.

Income Tax Expense

| | Yea | rs En | ded Decemb | er 31, | , | Year End 2018 vs. 2017 | | Year En 2017 vs. 2016 | |
|--------------------|-----------|-------|------------|--------|-------|---------------------------|------|--------------------------|------|
| | 2018 | | 2017 | | 2016 | avorable/ nfavorable) | % | avorable/ 1favorable) | % |
| Income tax expense | \$ 474 | \$ | 11,533 | \$ | 2,739 | \$ 11,059 | n.m. | \$ (8,794) | n.m. |

n.m. = not meaningful

In the year ended December 31, 2018 Income tax expense decreased due primarily to the absence of certain expense items which occurred in 2017, including \$7.3 billion of tax expense related to U.S. tax reform and \$2.3 billion of tax expense related to the

recording of a valuation allowance on the sale of the Opel/Vauxhaß Business, combined with the impact of a lower U.S. statutory tax rate and pre-tax income in 2018.

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In the year ended December 31, 2017 Income tax expense increased due primarily to the \$7.3 billion tax expense related to U.S. tax reform legislation and the establishment of a \$2.3 billion valuation allowance related to the sale of Opel/Vauxhall Business, partially offset by tax benefits related to tax settlements and foreign earnings.

For the year ended December 31, 2018 our ETR-adjusted was 17.4%, and we expect an effective tax rate of between 16% and 18% for the year ending December 31, 2019.

Refer to Note 17 to our consolidated financial statements for additional information related to Income tax expense.

GM North America

| | | Years Ended | Dec | ember 31, | | Favorable/ | | | | | Va | riar | ce Due | е То | | |
|-----------------------------|----|-------------|------|-----------------|-------|-----------------------------|---------|----------|-------|-------|------|-------|----------|----------|----|-------|
| | | 2018 | | 2017 | (| Unfavorable) | % | Vol | lume | M | ix | I | Price | Cost | (| Other |
| | | | | | | | | | | | (Do | llars | in bill | ions) | | |
| Total net sales and | | | | | | | | | | | | | | | | |
| revenue | \$ | 113,792 | \$ | 111,345 | \$ | 2,447 | 2.2 % | \$ | 1.4 | \$ (0 | 0.7) | \$ | 1.4 | | \$ | 0.3 |
| EBIT-adjusted | \$ | 10,769 | \$ | 11,889 | \$ | (1,120) | (9.4)% | \$ | 0.4 | \$ (| 1.5) | \$ | 1.4 | \$ (1.7) | \$ | 0.2 |
| EBIT-adjusted margin | | 9.5% | | 10.7% | | (1.2)% | | | | | | | | | | |
| | | | (Veh | icles in thousa | nds) | | | | | | | | | | | |
| Wholesale vehicle sales | | 3,555 | | 3,511 | | 44 | 1.3 % | | | | | | | | | |
| | | Years Ende | d De | cember 31, | | F 11.7 | | <u> </u> | | | V | aria | ıce Du | е То | | |
| | | 2017 | | 2016 | | Favorable/ (Unfavorable) | 0/0 | Vo | lume | M | Iix |] | Price | Cost | (| Other |
| | | | | | | | | | | | (De | llar | s in bil | lions) | | |
| Total net sales and revenue | \$ | 111,345 | \$ | 119,113 | \$ | (7,768) | (6.5)% | \$(| 12.2) | \$ | 3.5 | \$ | 0.6 | | \$ | 0.3 |
| EBIT-adjusted | \$ | 11,889 | \$ | 12,388 | \$ | (499) | (4.0)% | \$ | (3.5) | \$ | 0.9 | \$ | 0.6 | \$ 1.8 | \$ | (0.3) |
| EBIT-adjusted margin | | 10.7% |) | 10.4% |) | 0.3% | | | | | | | | | | |
| | | | (Vel | hicles in thous | ands) | | | | | | | | | | | |
| Wholesale vehicle sales | 8 | 3,511 | | 3,958 | | (447) | (11.3)% | | | | | | | | | |

GMNA Total Net Sales and Revenue In the year ended December 31, 2018 Total net sales and revenue increased due primarily to: (1) favorable pricing for Majors of \$1.9 billion, partially offset by unfavorable pricing for carryover vehicles of \$0.5 billion, inclusive of new revenue standard impacts; (2) increased net wholesale volumes due to an increase in sales of crossover and fleet vehicles, partially offset by a decrease in sales of passenger cars, planned downtime for full-size trucks and a decrease in sales of mid-size trucks; and (3) favorable Other due to increased sales of parts and accessories; partially offset by (4) unfavorable mix due to fleet customer, trim and other mix.

In the year ended December 31, 2017 Total net sales and revenue decreased due primarily to: (1) decreased net wholesale volumes associated with a decrease in Chevrolet passenger car sales and a decrease in off-lease rental car sales; partially offset by (2) favorable mix associated with a decrease in sales of Chevrolet passenger cars and decreased volumes of off-lease rental car sales; (3) favorable pricing for Majors of \$1.4 billion, partially offset by unfavorable pricing for carryover vehicles of \$0.8 billion; and (4) favorable Other due primarily to the foreign currency effect resulting from the strengthening of the Canadian Dollar against the U.S. Dollar.

GMNA EBIT-Adjusted The most significant factors which influence profitability are industry volume and market share. While not as significant as industry volume and market share, another factor affecting profitability is the relative mix of vehicles sold. Trucks, crossovers and cars sold currently have a variable profit of approximately 180%, 50% and 20% of our GMNA portfolio on a weighted-average basis.

In the year ended December 31, 2018 EBIT-adjusted decreased due primarily to: (1) unfavorable Cost due to increased vehicle content for Majors of \$1.3 billion and increased raw material and freight costs of \$1.1 billion, partially offset by favorable materials performance of \$1.0 billion related to carryover vehicles; and (2) unfavorable mix due to an increase in sales of crossover vehicles,

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fleet customer mix, trim and other mix, partially offset by decrealed sales of passenger cars; partially offset by (3) favorable pricing; and (4) increased net wholesale volumes.

In the year ended December 31, 2017 EBIT-adjusted decreased due primarily to: (1) decreased net wholesale volumes; and (2) unfavorable Other due primarily to the foreign currency effect resulting from the weakening of the Mexican Peso against the U.S.

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Dollar; partially offset by (3) favorable Cost including decreased warranty costs of \$1.4 billion, decreased material and freight costs related to carryover vehicles of \$0.7 billion, decreased other employee related costs of \$0.7 billion, decreased advertising costs of \$0.3 billion and decreased restructuring charges of \$0.2 billion related to the 2016 UAW cash severance incentive program, partially offset by increased material costs for Majors of \$1.3 billion and increased engineering costs of \$0.3 billion; (4) favorable mix; and (5) favorable pricing.

GM International

| | | Years Ended | l Dec | ember 31, | | E 11./ | | | Va | riance Du | е То | |
|---|----|-------------|-------|----------------|-------|----------------------------|---------|----------|----------|--------------|----------|----------|
| | | 2018 | | 2017 | | Favorable/ Infavorable) | % | Volume | Mix | Price | Cost | Other |
| | | | | | | | | | (Do | llars in bil | lions) | |
| Total net sales and revenue | \$ | 19,148 | \$ | 21,920 | \$ | (2,772) | (12.6)% | \$ (1.7) | \$ (0.2) | \$ 0.4 | | \$ (1.2) |
| EBIT-adjusted | \$ | 423 | \$ | 1,300 | \$ | (877) | (67.5)% | \$ (0.3) | \$ 0.1 | \$ 0.4 | \$ (0.1) | \$ (0.9) |
| EBIT-adjusted margin | | 2.2% | | 5.9% | | (3.7)% | | | | | | |
| Equity income — Automotive China | \$ | 1,981 | \$ | 1,976 | \$ | 5 | 0.3 % | | | | | |
| EBIT (loss)-adjusted — excluding Equity | | (1.550) | | (5=5) | | (0.0.2) | | | | | | |
| income | \$ | (1,558) | \$ | (676) | \$ | (882) | n.m. | | | | | |
| | | | (Veh | icles in thous | ands) | | | | | | | |
| Wholesale vehicle sales | 3 | 1,152 | | 1,267 | | (115) | (9.1)% | | | | | |

n.m. = not meaningful

| | Years Ended | l Dece | ember 31, | | 11 / | | | | Va | rian | ce Due | То | |
|---|-----------------|--------|----------------|------|--------------------------|-------|----|------|----------|------|---------|--------|----------|
| | 2017 | | 2016 | | avorable/ 1favorable) | % | Vo | lume | Mix | I | Price | Cost | Other |
| | | | | | | | | | (Dol | lars | in bill | ions) | |
| Total net sales and | | | | | | | | | | | | | |
| revenue | \$ 21,920 | \$ | 20,943 | \$ | 977 | 4.7% | \$ | 0.2 | \$ 0.2 | \$ | 0.6 | | \$ — |
| EBIT-adjusted | \$ 1,300 | \$ | 767 | \$ | 533 | 69.5% | \$ | _ | \$ (0.3) | \$ | 0.6 | \$ 0.3 | \$ (0.2) |
| EBIT-adjusted margin | 5.9% | | 3.7% | | 2.2% | | | | | | | | |
| Equity income — Automotive China | \$ 1,976 | \$ | 1,973 | \$ | 3 | 0.2% | | | | | | | |
| EBIT (loss)-adjusted — excluding Equity | | | | | | | | | | | | | |
| income | \$ (676) | \$ | (1,206) | \$ | 530 | 43.9% | | | | | | | |
| | | (Vehi | cles in thousa | nds) | | | | | | | | | |
| Wholesale vehicle sales | 1,267 | | 1,255 | | 12 | 1.0% | | | | | | | |

The vehicle sales of our Automotive China JVs are not recorded in Total net sales and revenue. The results of our joint ventures are recorded in Equity income, which is included in EBIT-adjusted above.

GMI Total Net Sales and Revenue In the year ended December 31, 2018 Total net sales and revenue decreased due primarily to: (1) decreased wholesale volumes in Korea due to the closure of a facility, in Argentina primarily driven by lower industry volumes, and in Asia/Pacific due to the withdrawal from the Indian and South African markets in 2017, partially offset by an increase in Brazil primarily due to an increase in sales of the Chevrolet Onix, Tracker and Equinox; (2) unfavorable Other due primarily to the foreign currency effect resulting from the weakening of the Brazilian Real and Argentine Peso against the U.S. Dollar; partially offset by (3) favorable pricing related to carryover vehicles in Argentina and Brazil.

In the year ended December 31, 2017 Total net sales and revenue increased due primarily to: (1) favorable pricing related to carryover vehicles in Argentina and Brazil and in Egypt to mitigate the impact of the weakening Egyptian Pound against the U.S. Dollar; (2) favorable mix driven by the increased sales of Chevrolet Cruze in Brazil and Argentina; and (3) increased wholesale

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volumes associated with the Chevrolet Onix in Brazil and Argentian, partially offset by decreased wholesale volumes across multiple product lines in Asia/Pacific, the Middle East and Africa; (4) flat Other due primarily to the foreign currency effect resulting from the strengthening of the Brazilian Real and Korean Won against the U.S. Dollar, offset by the depreciation of the Argentine Peso and Egyptian Pound against the U.S. Dollar and decreased parts and accessories sales in the Middle East.

GMI EBIT-Adjusted In the year ended December 31, 2018 EBIT-adjusted decreased due primarily to: (1) decreased wholesale volumes; and (2) unfavorable Other due primarily to the foreign currency effect resulting from the weakening of the Argentine Peso and Brazilian Real against the U.S. Dollar; partially offset by (3) favorable pricing.

In the year ended December 31, 2017 EBIT-adjusted increased due primarily to: (1) favorable pricing; and (2) favorable Cost due to decreased employee related costs and selling, general and administrative expenses across the region; partially offset by (3) unfavorable mix driven by decreased high-margin sales in the Middle East.

We view the Chinese market as important to our global growth strategy and are employing a multi-brand strategy led by our Buick, Chevrolet and Cadillac brands. In the coming years we plan to leverage our global architectures to increase the number of product offerings under the Buick, Chevrolet and Cadillac brands in China and continue to grow our business under the local Baojun and Wuling brands, with Baojun focusing its expansion in less developed cities and markets. We operate in the Chinese market through a number of joint ventures and maintaining strong relationships with our joint venture partners is an important part of our China growth strategy.

The following table summarizes certain key operational and financial data for the Automotive China JVs (vehicles in thousands):

| | Ye | ars Er | ided Dec | cemb | er 31, | |
|--|--------------|--------|----------|------|--------|-------------|
| | 2018 | | 2017 | | | 2016 |
| Wholesale vehicles including vehicles exported to markets outside of China | 4,030 | | 4,14 | 40 | | 4,013 |
| Total net sales and revenue | \$ 50,316 | \$ | 50,00 | 65 | \$ | 47,150 |
| Net income | \$ 3,992 | \$ | 3,98 | 84 | \$ | 4,117 |
| | Decemb | er 31, | , 2018 | D | ecemb | er 31, 2017 |
| Cash and cash equivalents | \$ | 8 | 3,609 | \$ | | 9,202 |
| Debt | \$ | | 496 | \$ | | 381 |

GM Cruise

| | Years | s End | led Decemb | er 3 | 1, | 2018 vs. 2017 | Change | 2 | 2017 vs. 2016 C | Change |
|----------------------|-------------|-------|------------|------|-------|-------------------------|---------|----|--------------------------|--------|
| | 2018 | | 2017 | | 2016 | avorable/ favorable) | % | | avorable/ ifavorable) | % |
| EBIT (loss)-adjusted | \$ (728) | \$ | (613) | \$ | (171) | \$ (115) | (18.8)% | \$ | (442) | n.m. |

n.m. = not meaningful

GM Cruise EBIT (Loss)-Adjusted In the years ended December 31, 2018 and 2017 EBIT (loss)-adjusted increased due primarily to increased engineering costs as we progress towards the commercialization of autonomous vehicles.

GM Financial

| | Year | rs Er | ided Decemb | er 31 | , | 2018 vs. 2017 | Change | 2017 vs. 2016 C | hange |
|--|--------------|-------|-------------|-------|-------|-------------------|---------|---------------------|-------|
| | 2018 | | 2017 | | 2016 | Amount | % | Amount | % |
| Total revenue | \$ 14,016 | \$ | 12,151 | \$ | 8,983 | \$ 1,865 | 15.3 % | \$ 3,168 | 35.3% |
| Provision for loan losses | \$ 642 | \$ | 757 | \$ | 644 | \$ (115) | (15.2)% | \$ 113 | 17.5% |
| Earnings before income taxes- adjusted | \$ 1,893 | \$ | 1,196 | \$ | 763 | \$ 697 | 58.3 % | \$ 433 | 56.7% |
| Average debt outstanding (dollars in billions) | \$ 85.1 | \$ | 74.9 | \$ | 54.8 | \$ 10.2 | 13.5 % | \$ 20.1 | 36.7% |
| Effective rate of interest paid | 3.8% | | 3.4% | | 3.6% | 0.4% | | (0.2)% | |

GM Financial Revenue In the year ended December 31, 2018 Total revenue increased due primarily to increased leased vehicle income of \$1.4 billion due to a larger lease portfolio and increased finance charge income of \$0.4 billion due to growth in the retail and commercial finance receivables portfolios.

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In the year ended December 31, 2017 Total revenue increased due primarily to increased leased vehicle income of \$2.7 billion due to a larger lease portfolio and increased finance charge income of \$0.4 billion due to growth in the retail and commercial finance receivables portfolios.

GM Financial Earnings Before Income Taxes-Adjusted In the year ended December 31, 2018 Earnings before income taxes-adjusted increased due primarily to: (1) increased gains on sales of terminated leased vehicles of \$0.5 billion due to stronger than expected used vehicle prices; (2) increased net leased vehicle income of \$0.4 billion due to an increase in average balance of the lease portfolio; and (3) increased finance charge income of \$0.4 billion due to an increase in the average balance of the retail and commercial finance receivables portfolios; partially offset by (4) increased interest expense of \$0.7 billion due to an increase in average debt outstanding resulting from growth in the loan and lease portfolios as well as rising benchmark interest rates.

In the year ended December 31, 2017 Earnings before income taxes-adjusted increased due primarily to: (1) increased net leased vehicle income of \$0.8 billion due primarily to a larger lease portfolio; and (2) increased finance charge income; partially offset by (3) increased interest expense of \$0.6 billion due to an increase in average debt outstanding.

Liquidity and Capital Resources We believe that our current level of cash and cash equivalents, marketable securities and availability under our revolving credit facilities will be sufficient to meet our liquidity needs. We expect to have substantial cash requirements going forward which we plan to fund through total available liquidity and cash flows generated from operations and future debt issuances. We also maintain access to the capital markets and may issue debt or equity securities from time to time, which may provide an additional source of liquidity. Our future uses of cash, which may vary from time to time based on market conditions and other factors, are focused on three objectives: (1) reinvest in our business; (2) maintain a strong investment-grade balance sheet; and (3) return available cash to shareholders. Our known future material uses of cash include, among other possible demands: (1) capital expenditures of \$8.0 billion to \$9.0 billion in 2019 as well as payments for engineering and product development activities; (2) payments associated with previously announced vehicle recalls, the settlements of the multi-district litigation and any other recall-related contingencies; (3) payments to service debt and other long-term obligations, including discretionary and mandatory contributions to our pension plans; (4) dividend payments on our common stock that are declared by our Board of Directors; and (5) payments to purchase shares of our common stock authorized by our Board of Directors.

Our liquidity plans are subject to a number of risks and uncertainties, including those described in the "Forward-Looking Statements" section of this MD&A and Item 1A. Risk Factors, some of which are outside of our control.

We continue to monitor and evaluate opportunities to strengthen our competitive position over the long-term while maintaining a strong investment-grade balance sheet. These actions may include opportunistic payments to reduce our long-term obligations such as our pension plans, as well as the possibility of acquisitions, dispositions, investments with joint venture partners and strategic alliances that we believe would generate significant advantages and substantially strengthen our business. In September 2018, we used a portion of the net proceeds from the issuance of senior unsecured notes to pre-fund \$0.6 billion in certain mandatory contributions to our U.K. and Canada pension plans due in 2019 through 2021.

Our senior management evaluates our capital allocation program on an ongoing basis and recommends any modifications to the program to our Board of Directors, not less than once annually. Management reaffirmed and our Board of Directors approved the capital allocation program, which includes reinvesting in our business at an average target ROIC-adjusted rate of 20% or greater, maintaining a strong investment-grade balance sheet, including an average automotive target cash balance of \$18 billion, and returning available cash to shareholders.

As part of our capital allocation program, our Board of Directors authorized programs to purchase \$9.0 billion in aggregate of our common stock which were completed in the three months ended September 30, 2016 and 2017. We announced in January 2017 that our Board of Directors had authorized the purchase of up to an additional \$5.0 billion of our common stock with no expiration date, subsequent to completing the remaining portion of the previously announced programs. We completed \$1.6 billion of the \$5.0 billion program through December 31, 2018, which included \$0.1 billion purchased in the three months ended March 31, 2018 in conjunction with the sale of GM common stock by the UAW Retiree Medical Benefits Trust (New VEBA). From inception of the program in 2015 through January 25, 2019 we had purchased an aggregate of 302 million shares of our outstanding common stock under our common stock repurchase program for \$10.6 billion.

Automotive Liquidity Total available liquidity includes cash, cash equivalents, marketable securities and funds available under credit facilities. The amount of available liquidity is subject to intra-month and seasonal fluctuations and includes balances held by various business units and subsidiaries worldwide that are needed to fund their operations.

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We manage our liquidity primarily at our treasury centers as well as at certain of our significant consolidated overseas subsidiaries. Approximately 90% of our cash and marketable securities were managed within North America and at our regional treasury centers at December 31, 2018. We have used and will continue to use other methods including intercompany loans to utilize these funds across our global operations as needed.

Our cash equivalents and marketable securities balances are primarily denominated in U.S. Dollars and include investments in U.S. government and agency obligations, foreign government securities, time deposits, corporate debt securities and mortgage and asset-backed securities. Our investment guidelines, which we may change from time to time, prescribe certain minimum credit worthiness thresholds and limit our exposures to any particular sector, asset class, issuance or security type. The majority of our current investments in debt securities are with A/A2 or better rated issuers.

We use credit facilities as a mechanism to provide additional flexibility in managing our global liquidity. At December 31, 2017 the total size of our credit facilities was \$14.5 billion, which consisted principally of our two primary revolving credit facilities. In April 2018 we amended and restated our two existing revolving credit facilities and entered into a third facility, increasing our aggregate borrowing capacity from \$14.5 billion to \$16.5 billion. These facilities consist of a 364-day, \$2.0 billion facility, a three-year, \$4.0 billion facility and a five-year, \$10.5 billion facility. The facilities are available to us as well as certain wholly-owned subsidiaries, including GM Financial. The three-year, \$4.0 billion facility allows for borrowings in U.S. Dollars and other currencies and includes a letter of credit sub-facility of \$1.1 billion. The five-year, \$10.5 billion facility allows for borrowings in U.S. Dollars and other currencies. The 364-day, \$2.0 billion facility allows for borrowing in U.S. Dollars only. We have allocated the 364-day, \$2.0 billion facility for exclusive use by GM Financial. Total automotive available credit under the facility remained unchanged at \$14.5 billion at December 31, 2018. In January 2019 we entered into a new three-year unsecured revolving credit facility with an initial borrowing capacity of \$3.0 billion, reducing to \$2.0 billion in July 2020. The facility will be used to fund costs related to the transformation activities announced in November 2018 and to provide additional financial flexibility.

We did not have any borrowings against our primary facilities, but had letters of credit outstanding under our sub-facility of \$0.3 billion and \$0.4 billion at December 31, 2018 and 2017. GM Financial did not have any borrowings against our credit facility designated for their exclusive use at December 31, 2018 or the remainder of our revolving credit facilities at December 31, 2018 and 2017. Refer to Note 13 to our consolidated financial statements for additional information on credit facilities. We had intercompany loans from GM Financial of \$0.6 billion and \$0.4 billion at December 31, 2018 and 2017, which consisted primarily of commercial loans to dealers we consolidate, and we had no intercompany loans to GM Financial. Refer to Note 5 of our consolidated financial statements for additional information.

In May 2018 we entered into an agreement with KDB to fund capital expenditure requirements of GM Korea. In the year ended December 31, 2018 KDB purchased \$0.7 billion of GM Korea Preferred Shares. Additionally we agreed to provide future funding to GM Korea if needed, not to exceed \$2.8 billion through December 31, 2027, inclusive of \$2.0 billion of planned capital expenditures through 2027. Refer to Note 20 to our consolidated financial statements for further details.

In September 2018 we issued \$2.1 billion in aggregate principal amount of senior unsecured notes with an initial weighted average interest rate of 5.03% and maturity dates ranging from 2021 to 2049. The notes are governed by the same indenture that was used in past issuances, which contains terms and covenants customary of these types of securities including limitations on the amount of certain secured debt we may incur. The net proceeds from the issuance of these senior unsecured notes were used to repay \$1.5 billion of debt in October 2018 upon maturity, pre-fund \$0.6 billion in certain mandatory contributions for our U.K. and Canada pension plans due in 2019 through 2021, and for other general corporate purposes.

GM Financial's Board of Directors declared and paid a dividend of \$0.4 billion on its common stock in October 2018. Future dividends from GM Financial will depend on a number of factors including business and economic conditions, its financial condition, earnings, liquidity requirements and leverage ratio.

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The following table summarizes our available liquidity (dollars in billions):

| | Decem | ber 31, 2018 | Decem | ber 31, 2017 |
|---|-------|--------------|-------|--------------|
| Automotive cash and cash equivalents | \$ | 13.7 | \$ | 11.2 |
| Marketable securities | | 6.0 | | 8.3 |
| Automotive cash, cash equivalents and marketable securities(a)(b) | | 19.6 | | 19.6 |
| GM Cruise cash and cash equivalents(c) | | 2.3 | | _ |
| Available liquidity | | 21.9 | | 19.6 |
| Available under credit facilities | | 14.2 | | 14.1 |
| Total available liquidity(a) | \$ | 36.1 | \$ | 33.6 |

⁽a) Amounts do not add due to rounding.

The following table summarizes the changes in our Automotive available liquidity (excluding GM Cruise, dollars in billions):

| | ded December 1, 2018 |
|--|-----------------------------|
| Operating cash flow | \$ 11.7 |
| Capital expenditures | (8.7) |
| Dividends paid and payments to purchase common stock | (2.3) |
| Issuance of senior unsecured notes | 2.1 |
| Repayment of senior unsecured notes | (1.5) |
| GM investment in GM Cruise | (1.1) |
| Proceeds from KDB investment in GM Korea | 0.7 |
| Other non-operating | (0.7) |
| Total change in automotive available liquidity | \$ 0.2 |

Automotive Cash Flow (Dollars in Billions)

| | Yea | rs En | ded Decemb | er 31 | , | 201 | 0 2017 | 2015 | 2016 |
|--|------------|-------|------------|-------|-------|-----|----------------------|------|-------------------|
| | 2018 | | 2017 | | 2016 | | 8 vs. 2017 Change | | vs. 2016 hange |
| Operating Activities | | | | | | | | | |
| Income (loss) from continuing operations | \$ 7.1 | \$ | (0.2) | \$ | 8.8 | \$ | 7.3 | \$ | (9.0) |
| Depreciation, amortization and impairment charges | 6.1 | | 5.7 | | 5.1 | | 0.4 | | 0.6 |
| Pension and OPEB activities | (3.4) | | (2.6) | | (4.2) | | (0.8) | | 1.6 |
| Working capital | 0.7 | | 1.8 | | 2.2 | | (1.1) | | (0.4) |
| Accrued and other liabilities and income taxes | 1.9 | | 8.5 | | 3.0 | | (6.6) | | 5.5 |
| Other | (0.7) | | 1.2 | | (0.3) | | (1.9) | | 1.5 |
| Net automotive cash provided by operating activities | \$ 11.7 | \$ | 14.4 | \$ | 14.6 | \$ | (2.7) | \$ | (0.2) |

In the year ended December 31, 2018 the decrease in Net automotive cash provided by operating activities was due primarily to: (1) unfavorable pre-tax earnings from continuing operations of \$3.9 billion, net of employee separation and other charges of \$1.3 billion resulting from transformation activities; (2) unfavorable Pension and OPEB activities due primarily to pension contributions of \$0.6 billion made to our U.K. and Canada pension plans; (3) less favorable Working capital due primarily to accounts receivable and accounts payable; and (4) unfavorable Other due to the increase in units returned from rental car companies of \$0.8 billion and several other insignificant items; partially offset by (5) favorable sales incentives and other accruals of \$3.6 billion; and (6) favorable re-timing of subvention payments and receivables factoring with GM Financial and other external sources of \$0.4 billion.

⁽b) Includes \$0.6 billion that is designated exclusively to fund capital expenditures in GM Korea at December 31, 2018. Refer to Note 20 to our consolidated financial statements for further details.

⁽c) Amounts are designated exclusively for the use of GM Cruise and do not include \$0.1 billion of GM Cruise's investment in GM stock. Refer to Note 20 to our consolidated financial statements for further details.

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In the year ended December 31, 2017 the decrease in Net automotive cash provided by operating activities was due primarily to: (1) unfavorable Income (loss) from continuing operations partially offset by the add back of \$7.3 billion as a result of U.S. tax reform legislation and the establishment of a \$2.3 billion valuation allowance related to the sale of the Opel/Vauxhall Business; and (2) unfavorable Working capital due to lower production volumes, partially offset by accelerated cash receipts from GM Financial and other external sources totaling \$0.5 billion; partially offset by (3) favorable Pension and OPEB activities due primarily to discretionary contributions of \$2.0 billion made to our U.S. hourly pension plan in the year ended December 31, 2016; and (4) favorable Other due to a GM Financial dividend of \$0.6 billion and several insignificant items, partially offset by unfavorable equipment on operating leases of \$1.1 billion due to an increase in units out to daily rental car companies.

| | Years Ended December 31, | | | | | 2010 2015 | | 2017 2016 | | |
|---|--------------------------|-------|------|-------|------|-----------|---------------------------|-----------|----|----------------------|
| | 2018 | | 2017 | | 2016 | | - 2018 vs. 2017 Change | | | 7 vs. 2016 Change |
| Investing Activities | | | | | | | | | | |
| Capital expenditures | \$ | (8.7) | \$ | (8.3) | \$ | (8.3) | \$ | (0.4) | \$ | _ |
| Acquisitions and liquidations of marketable securities, net | | 2.3 | | 3.5 | | (3.7) | | (1.2) | | 7.2 |
| GM investment in GM Cruise | | (1.1) | | _ | | _ | | (1.1) | | _ |
| Investment in Lyft | | _ | | _ | | (0.5) | | _ | | 0.5 |
| Other | | (0.2) | | (0.4) | | (0.2) | | 0.2 | | (0.2) |
| Net automotive cash used in investing activities | \$ | (7.7) | \$ | (5.2) | \$ | (12.7) | \$ | (2.5) | \$ | 7.5 |
| | | | - | | | | | | 1 | |

| | Years Ended December 31, | | | | 2019 2017 | | 2017 2016 | | | |
|--|--------------------------|-------|------|-------|-----------|-------|---------------------------|-------|-------------------------|-------|
| | 2018 | | 2017 | | 2016 | | – 2018 vs. 2017 Change | | 2017 vs. 2016 Change | |
| Financing Activities | | | | | | | | | | |
| Issuance of senior unsecured notes | \$ | 2.1 | \$ | 3.0 | \$ | 2.0 | \$ | (0.9) | \$ | 1.0 |
| Net payments on short-term debt | | (1.4) | | (0.1) | | _ | | (1.3) | | (0.1) |
| Payments to purchase common stock | | (0.1) | | (4.5) | | (2.5) | | 4.4 | | (2.0) |
| Dividends paid | | (2.2) | | (2.2) | | (2.3) | | _ | | 0.1 |
| Proceeds from KDB investment in GM Korea | | 0.7 | | _ | | _ | | 0.7 | | _ |
| Other | | (0.6) | | (0.4) | | (0.3) | | (0.2) | | (0.1) |
| Net automotive cash used in financing activities | \$ | (1.5) | \$ | (4.2) | \$ | (3.1) | \$ | 2.7 | \$ | (1.1) |

Adjusted Automotive Free Cash Flow

We measure adjusted automotive free cash flow as automotive operating cash flow from continuing operations less capital expenditures adjusted for management actions. For the year ended December 31, 2018, net automotive cash provided by operating activities under U.S. GAAP was \$11.7 billion, capital expenditures were \$8.7 billion and an adjustment for management actions related to restructuring in Korea was \$0.8 billion.

For the year ended December 31, 2017, net automotive cash provided by operating activities under U.S. GAAP was \$14.4 billion, capital expenditures were \$8.3 billion, and adjustments resulting from the sale of the European Business included an adjustment related to a U.K. pension plan contribution of \$0.2 billion and a reduction adjustment related to a dividend received from GM Financial of \$0.6 billion.

For the year ended December 31, 2016, net automotive cash provided by operating activities under U.S. GAAP was \$14.6 billion, capital expenditures were \$8.3 billion, and an adjustment for discretionary U.S. pension plan contributions was \$2.0 billion.

Status of Credit Ratings We receive ratings from four independent credit rating agencies: DBRS Limited, Fitch Ratings (Fitch), Moody's Investor Service (Moody's) and Standard & Poor's (S&P). All four credit rating agencies currently rate our corporate credit at investment grade. The following table summarizes our credit ratings at January 25, 2019:

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| | Corporate | Revolving Credit Facilities | Senior Unsecured | Outlook |
|--------------|------------------|--------------------------------|------------------|----------|
| DBRS Limited | BBB | BBB | N/A | Positive |
| Fitch | BBB | BBB | BBB | Stable |
| Moody's | Investment Grade | Baa2 | Baa3 | Stable |
| S&P | BBB | BBB | BBB | Stable |

In March 2018 DBRS Limited revised their outlook to Positive from Stable. All other credit ratings remained unchanged from January 1, 2018 through January 25, 2019.

GM Cruise Liquidity

The following table summarizes the changes in our GM Cruise available liquidity (dollars in billions):

| | Year Ended Dece 31, 2018 | | | | | |
|--|-----------------------------|-------|--|--|--|--|
| Operating cash flow | \$ | (0.6) | | | | |
| Issuance of GM Cruise Preferred Shares to SoftBank | | 0.9 | | | | |
| Issuance of GM Cruise Common Shares to Honda | | 0.8 | | | | |
| GM investment in GM Cruise | | 1.1 | | | | |
| Other non-operating | | 0.2 | | | | |
| Total change in GM Cruise available liquidity | \$ | 2.4 | | | | |

When GM Cruise's autonomous vehicles are ready for commercial deployment, SoftBank is obligated to purchase additional GM Cruise Preferred Shares for \$1.35 billion, subject to regulatory approval. In addition, Honda agreed to contribute approximately \$2.0 billion primarily in the form of a long-term annual fee to GM Cruise Holdings for certain rights to use GM Cruise Holdings' trade names and trademarks and the exclusive right to partner with GM Cruise Holdings to develop, deploy, and maintain a foreign market.

GM Cruise Cash Flow (Dollars in Billions)

| | Years Ended December 31, | | | | | | 2010 2015 | | 5 2016 |
|---|--------------------------|------|-------|------|-------|---------------------------|-----------|-------------------------|---------------|
| | 2018 | 2017 | | 2016 | | - 2018 vs. 2017 Change | | 2017 vs. 2016 Change | |
| Net cash used in operating activities | \$ (0.6) | \$ | (0.5) | \$ | (0.1) | \$ | (0.1) | \$ | (0.4) |
| Net cash used in investing activities | \$ (0.1) | \$ | (0.1) | \$ | (0.3) | \$ | _ | \$ | 0.2 |
| Net cash provided by financing activities | \$ 3.0 | \$ | 0.6 | \$ | 0.4 | \$ | 2.4 | \$ | 0.2 |

In the year ended December 31, 2017 Net cash used in operating activities increased due primarily to unfavorable income from operations.

In the year ended December 31, 2018 Net cash provided by financing activities increased due primarily to the GM investment in GM Cruise, proceeds from the issuance of GM Cruise Preferred Shares to SoftBank, and proceeds from the issuance of GM Cruise Common Shares to Honda.

Automotive Financing – GM Financial Liquidity GM Financial's primary sources of cash are finance charge income, leasing income and proceeds from the sale of terminated leased vehicles, net distributions from credit facilities, including securitizations, secured and unsecured borrowings and collections and recoveries on finance receivables. GM Financial's primary uses of cash are purchases of retail finance receivables and leased vehicles, the funding of commercial finance receivables, repayment of secured and unsecured debt, funding credit enhancement requirements in connection with securitizations and secured debt facilities, operating expenses, and interest costs. In September 2018 GM Financial issued \$0.5 billion of Fixed-to-Floating Rate Cumulative Perpetual Preferred Stock, Series B, \$0.01 par value, with a liquidation preference of \$1,000 per share. In September 2017 GM Financial issued \$1.0 billion of Fixed-to-Floating Rate Cumulative Perpetual Preferred Stock, Series A, \$0.01 par value, with a liquidation preference of \$1,000 per share. Refer to Note 20 to our consolidated financial statements for further details. The following table summarizes GM Financial's available liquidity (dollars in billions):

| | Decem | Decem | ber 31, 2017 | |
|--|-------|-------|--------------|------|
| Cash and cash equivalents | \$ | 4.9 | \$ | 4.3 |
| Borrowing capacity on unpledged eligible assets | | 18.0 | | 12.5 |
| Borrowing capacity on committed unsecured lines of credit | | 0.3 | | 0.1 |
| Borrowing capacity on revolving credit facility, exclusive to GM Financial | | 2.0 | | _ |
| Total GM Financial available liquidity | \$ | 25.2 | \$ | 16.9 |

In the year ended December 31, 2018 available liquidity increased due primarily to an increase in cash and additional capacity on new and renewed secured revolving credit facilities, resulting from the issuance of securitizations and unsecured debt. In addition, GM Financial added \$2.0 billion in borrowing capacity on our 364-day credit facility as described in the Automotive Liquidity section of this MD&A.

GM Financial has access to our revolving credit facilities of \$16.5 billion with exclusive access to the 364-day, \$2.0 billion facility. Refer to the Automotive Liquidity section of this MD&A for additional details. We have a support agreement with GM Financial which, among other things, establishes commitments of funding from us to GM Financial. This agreement also provides that we will continue to own all of GM Financial's outstanding voting shares so long as any unsecured debt securities remain outstanding at GM Financial. In addition we are required to use our commercially reasonable efforts to ensure GM Financial remains a subsidiary borrower under our corporate revolving credit facilities.

Credit Facilities In the normal course of business, in addition to using its available cash, GM Financial utilizes borrowings under its credit facilities, which may be secured or unsecured, and GM Financial repays these borrowings as appropriate under its cash management strategy. At December 31, 2018 secured, committed unsecured and uncommitted unsecured credit facilities totaled \$26.4 billion, \$0.4 billion and \$2.0 billion with advances outstanding of \$3.4 billion, an insignificant amount and \$2.0 billion.

GM Financial Cash Flow (Dollars in Billions)

| | Years Ended December 31, | | | | | | 2016 | 2017 | 2017 vs. 2016 | | | |
|---|--------------------------|--------|----|--------|----|-----------|------|-------|---------------------------|-------|--------|--|
| | | 2018 | | 2017 | | 2017 2016 | | 2016 | — 2018 vs. 2017 Change | | Change | |
| Net cash provided by operating activities | \$ | 7.4 | \$ | 6.5 | \$ | 4.7 | \$ | 0.9 | \$ | 1.8 | | |
| Net cash used in investing activities | \$ | (17.5) | \$ | (21.9) | \$ | (23.7) | \$ | 4.4 | \$ | 1.8 | | |
| Net cash provided by financing activities | \$ | 11.1 | \$ | 16.1 | \$ | 19.1 | \$ | (5.0) | \$ | (3.0) | | |

In the years ended December 31, 2018 and 2017 Net cash provided by operating activities increased due primarily to an increase in leased vehicle income and finance charge income, partially offset by increased interest expense.

In the year ended December 31, 2018 Net cash used in investing activities decreased due primarily to: (1) increased collections on finance receivables of \$4.5 billion; (2) increased proceeds from the termination of leased vehicles of \$4.2 billion; and (3) decreased purchases of leased vehicles of \$2.4 billion; partially offset by (4) increased purchases and funding of finance receivables of \$6.8 billion.

In the year ended December 31, 2017 Net cash used in investing activities decreased due primarily to: (1) increased proceeds from the termination of leased vehicles of \$4.1 billion; (2) increased collections and recoveries on retail finance receivables of

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\$3.0 billion; and (3) decreased purchases of leased vehicles of \$0.3 billion; partially offset by (4) increased net purchases of retail finance receivables of \$5.5 billion.

In the year ended December 31, 2018 Net cash provided by financing activities decreased due primarily to a decrease in borrowing, net of payments, of \$4.6 billion and a decrease in the issuance of preferred stock of \$0.5 billion.

In the year ended December 31, 2017 Net cash provided by financing activities decreased due primarily to an increase in repayments of \$12.4 billion and a special dividend payment to GM of \$0.6 billion, partially offset by an increase in borrowings of \$9.0 billion and the issuance of preferred stock of \$1.0 billion.

Off-Balance Sheet Arrangements We do not currently utilize off-balance sheet securitization arrangements. All trade or finance receivables and related obligations subject to securitization programs are recorded on our consolidated balance sheets at December 31, 2018 and 2017. Refer to Note 16 of our consolidated financial statements for detailed information related to guarantees we have provided and for our noncancelable operating lease obligations.

Contractual Obligations and Other Long-Term Liabilities We have minimum commitments under contractual obligations, including purchase obligations. A purchase obligation is defined as an agreement to purchase goods or services that is enforceable and legally binding on us and that specifies all significant terms, including fixed or minimum quantities to be purchased or fixed minimum price provisions and the approximate timing of the transaction. Based on these definitions, the following table includes only those contracts which include fixed or minimum obligations. The majority of our purchases are not included in the table as they are made under purchase orders which are requirements based and accordingly do not specify minimum quantities. The following table summarizes aggregated information about our outstanding contractual obligations and other long-term liabilities at December 31, 2018:

| | Payments Due by Period | | | | | | | | | |
|---|------------------------|--------|-----------|--------|-----------|--------|----------------|--------|----|---------|
| | 2019 | | 2020-2021 | | 2022-2023 | | 2024 and after | | | Total |
| Automotive debt | \$ | 812 | \$ | 1,002 | \$ | 1,552 | \$ | 10,568 | \$ | 13,934 |
| Automotive Financing debt | | 31,045 | | 38,191 | | 12,513 | | 9,937 | | 91,686 |
| Capital lease obligations | | 137 | | 92 | | 41 | | 258 | | 528 |
| Automotive interest payments(a) | | 743 | | 1,430 | | 1,365 | | 9,725 | | 13,263 |
| Automotive Financing interest payments(b) | | 2,811 | | 2,994 | | 1,198 | | 714 | | 7,717 |
| Postretirement benefits(c) | | 250 | | 25 | | _ | | _ | | 275 |
| Operating lease obligations, net | | 235 | | 438 | | 255 | | 453 | | 1,381 |
| Other contractual commitments: | | | | | | | | | | |
| Material | | 1,235 | | 669 | | 174 | | 118 | | 2,196 |
| Marketing | | 819 | | 282 | | 18 | | 25 | | 1,144 |
| Rental car repurchases | | 405 | | _ | | _ | | _ | | 405 |
| Other | | 1,010 | | 429 | | 106 | | 218 | | 1,763 |
| Total contractual commitments(d) | \$ | 39,502 | \$ | 45,552 | \$ | 17,222 | \$ | 32,016 | \$ | 134,292 |
| Non-contractual benefits(e) | \$ | 317 | \$ | 983 | \$ | 944 | \$ | 10,229 | \$ | 12,473 |

⁽a) Amounts include automotive interest payments based on contractual terms and current interest rates on our debt and capital lease obligations. Automotive interest payments based on variable interest rates were determined using the interest rate in effect at December 31, 2018.

⁽b) GM Financial interest payments were determined using the interest rate in effect at December 31, 2018 for floating rate debt and the contractual rates for fixed rate debt. GM Financial interest payments on floating rate tranches of the securitization notes payable were converted to a fixed rate based on the floating rate plus any expected hedge payments.

⁽c) Amounts include OPEB payments under the current U.S. contractual labor agreements through 2019 and Canada labor agreements through 2021. These agreements are generally renegotiated in the year of expiration. Amounts do not include pension funding obligations, which are discussed in Note 15 to our consolidated financial statements.

⁽d) Amounts do not include future cash payments for long-term purchase obligations and other accrued expenditures (unless specifically listed in the table above) which were recorded in Accounts payable or Accrued liabilities at December 31, 2018.

⁽e) Amounts include all expected future payments for both current and expected future service at December 31, 2018 for OPEB obligations for salaried and hourly employees extending beyond the current North American union contract agreements, workers' compensation and extended disability benefits. Amounts do not include pension funding obligations, which are discussed in Note 15 to our consolidated financial statements.

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The table above does not reflect product warranty and related liabilities, certified pre-owned, extended warranty and free maintenance of \$8.5 billion and unrecognized tax benefits of \$1.3 billion due to the uncertainty regarding the future cash outflows potentially associated with these amounts. In addition, future cash outflows related to transformation activities announced in November 2018 are not included in the table above. Refer to Note 18 of our consolidated financial statements for additional information. To fund costs associated with transformation activities, we entered into a new three-year committed unsecured revolving credit facility in January 2019, with an initial borrowing capacity of \$3.0 billion reducing to \$2.0 billion in July 2020.

Critical Accounting Estimates The consolidated financial statements are prepared in conformity with U.S. GAAP, which requires the use of estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses in the periods presented. We believe the accounting estimates employed are appropriate and the resulting balances are reasonable; however, due to the inherent uncertainties in developing estimates, actual results could differ from the original estimates, requiring adjustments to these balances in future periods. Refer to Note 2 to our consolidated financial statements for our significant accounting policies related to our critical accounting estimates.

Product Warranty and Recall Campaigns The estimates related to product warranties are established using historical information on the nature, frequency and average cost of claims of each vehicle line or each model year of the vehicle line and assumptions about future activity and events. When little or no claims experience exists for a model year or a vehicle line, the estimate is based on comparable models.

We accrue the costs related to product warranty at the time of vehicle sale and we accrue the estimated cost of recall campaigns when they are probable and estimable, which is generally at the time of sale.

The estimates related to recall campaigns accrued at the time of vehicle sale are established by applying a frequency times severity approach that considers the number of recall campaigns, the number of vehicles per recall campaign, the assumed number of vehicles that will be brought in by customers for repair (take rate) and the cost per vehicle for each recall campaign. These estimates consider the nature, frequency and magnitude of historical recall campaigns. Costs associated with recall campaigns not accrued at the time of vehicle sale are estimated based on the estimated cost of repairs and the estimated vehicles to be repaired. Depending on part availability and time to complete repairs we may, from time to time, offer courtesy transportation at no cost to our customers. These estimates are re-evaluated on an ongoing basis and based on the best available information. Revisions are made when necessary based on changes in these factors.

The estimated amount accrued for recall campaigns at the time of vehicle sale is most sensitive to the estimated number of recall events, the number of vehicles per recall event, the take rate, and the cost per vehicle for each recall event. The estimated cost of a recall campaign that is accrued on an individual basis is most sensitive to our estimated assumed take rate that is primarily developed based on our historical take rate experience. A 10% increase in the estimated take rate for all recall campaigns would increase the estimated cost by approximately \$0.2 billion.

Actual experience could differ from the amounts estimated requiring adjustments to these liabilities in future periods. Due to the uncertainty and potential volatility of the factors contributing to developing estimates, changes in our assumptions could materially affect our results of operations.

Sales Incentives The estimated effect of sales incentives offered to dealers and end customers is recorded as a reduction of Automotive net sales and revenue at the time of sale. There may be numerous types of incentives available at any particular time. Incentive programs are generally specific to brand, model or sales region and are for specified time periods, which may be extended. Significant factors used in estimating the cost of incentives include forecasted sales volume, product mix, and the rate of customer acceptance of incentive programs, all of which are estimated based on historical experience and assumptions concerning future customer behavior and market conditions. A change in any of these factors affecting the estimate could have a significant effect on recorded sales incentives. Subsequent adjustments to incentive estimates are possible as facts and circumstances change over time, which could affect the revenue previously recognized in Automotive net sales and revenue.

Valuation of GM Financial Equipment on Operating Leases Assets and Residuals GM Financial has investments in leased vehicles recorded as operating leases, which relate to vehicle leases to retail customers with lease terms which typically range from two to five years. At the beginning of the lease an estimate is made of the expected residual value at the end of the lease term. The expected residual value is based on third-party data which considers inputs including recent auction values, the expected future volume of returning leased vehicles, used vehicle prices, manufacturer incentive programs and fuel prices. Realization of the

GENERAL MOTORS COMPANY AND SUBSIDIARIES

residual values is dependent on the future ability to market the vehicles under prevailing market conditions. The customer is obligated to make payments during the term of the lease for the difference between the purchase price and the contract residual value plus a money factor. Since the customer is not obligated to purchase the vehicle prior to or at the end of the contract, we are exposed to a risk of loss to the extent the customer returns the vehicle at the end of the lease term and the value of the vehicle is below the expected residual value estimated at the inception of the lease.

The following table summarizes vehicles included in GM Financial equipment on operating leases, net (vehicles in thousands):

| | December 31, 2018 | December 31, 2017 |
|------------|--------------------------|-------------------|
| Cars | 379 | 450 |
| Trucks | 296 | 285 |
| Crossovers | 917 | 818 |
| SUVs | 111 | 99 |
| Total | 1,703 | 1,652 |

At December 31, 2018 the estimated residual value of our leased assets at the end of the lease term was \$31.4 billion. We periodically review the adequacy of the depreciation rates. If we believe that the expected residual values of the leased assets have changed, we revise the depreciation rate to ensure the net investment in the operating leases reflects the revised estimate of expected residual value at the end of the lease term. Such adjustments to the depreciation rate would result in a change in depreciation expense on leased assets which is recorded prospectively on a straight-line basis. The following table illustrates the effect of a 1% change in the estimated residual values at December 31, 2018, which would increase or decrease depreciation expense over the remaining term of our operating lease portfolio, holding all other assumptions constant:

| cks ssovers Vs | Impact toEx | pense |
|----------------------|-------------|-------|
| Cars | \$ | 49 |
| Trucks | | 73 |
| Crossovers | | 150 |
| SUVs | | 42 |
| Total | \$ | 314 |

We also evaluate the carrying value of the operating leases aggregated by vehicle make, year and model into leased asset groups, check for indicators of impairment and test for impairment to the extent necessary in accordance with applicable accounting standards. A leased asset group is considered impaired if impairment indicators exist and the undiscounted expected future cash flows (including the expected residual value) are lower than the carrying value of the asset group. We believe no impairment indicators existed during 2018, 2017 or 2016.

Pension and OPEB Plans Our defined benefit pension plans are accounted for on an actuarial basis, which requires the selection of various assumptions, including an expected long-term rate of return on plan assets, a discount rate, mortality rates of participants and expectation of mortality improvement. Our pension obligations include Korean statutory pension payments that are valued on a walk away basis. The expected long-term rate of return on U.S. plan assets that is utilized in determining pension expense is derived from periodic studies, which include a review of asset allocation strategies, anticipated future long-term performance of individual asset classes, risks using standard deviations and correlations of returns among the asset classes that comprise the plans' asset mix. While the studies give appropriate consideration to recent plan performance and historical returns, the assumptions are primarily long-term, prospective rates of return.

In December 2018 an investment policy study was completed for the U.S. pension plans. As a result of changes to our capital market assumptions the weighted-average long-term rate of return on assets decreased from 6.6% at December 31, 2017 to 6.4% at December 31, 2018. The expected long-term rate of return on plan assets used in determining pension expense for non-U.S. plans is determined in a similar manner to the U.S. plans.

Another key assumption in determining net pension and OPEB expense is the assumed discount rate used to discount plan obligations. We estimate the assumed discount rate for U.S. plans using a cash flow matching approach, which uses projected cash flows matched to spot rates along a high quality corporate bond yield curve to determine the weighted-average discount rate for the calculation of the present value of cash flows. We apply the individual annual yield curve rates instead of the assumed discount

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rate to determine the service cost and interest cost, which more specifically links the cash flows related to service cost and interest cost to bonds maturing in their year of payment.

The Society of Actuaries (SOA) issued mortality improvement tables in the three months ended December 31, 2018. We reviewed our recent mortality experience and have updated our base mortality assumptions in the U.S. This change in assumption decreased the December 31, 2018 U.S. pension and OPEB plans' obligations by \$0.3 billion. We determined our current mortality assumptions are appropriate to measure our December 31, 2018 U.S. pension and OPEB plans obligations.

Significant differences in actual experience or significant changes in assumptions may materially affect the pension obligations. The effects of actual results differing from assumptions and the changing of assumptions are included in unamortized net actuarial gains and losses that are subject to amortization to pension expense over future periods. The unamortized pre-tax actuarial loss on our pension plans was \$4.7 billion and \$4.0 billion at December 31, 2018 and 2017. The year-over-year change is primarily due to lower than expected asset returns partially offset by the increase in discount rates. At December 31, 2018 \$2.1 billion of the unamortized pre-tax actuarial loss is outside the corridor (primarily 10% of the projected benefit obligation (PBO)) and subject to amortization. The weighted-average amortization period is approximately sixteen years resulting in amortization expense of \$0.1 billion in 2019.

The underfunded status of the U.S. pension plans decreased by \$0.7 billion in the year ended December 31, 2018 to \$5.1 billion due primarily to: (1) a favorable effect of an increase in discount rates of \$4.1 billion; and (2) other favorable changes including contributions, demographic gains and assumption changes of \$0.3 billion; partially offset by (3) service and interest cost of \$2.3 billion; and (4) an unfavorable effect of actual returns on plan assets of \$1.4 billion.

The following table illustrates the sensitivity to a change in certain assumptions for the pension plans, holding all other assumptions constant:

| | U.S. Pl | ans(a) | Non-U.S. | Plans(a) |
|--|--------------------------------------|---------------------------------------|--------------------------------------|---------------------------------------|
| | Effect on 2019 Pension Expense | Effect on December 31, 2018 PBO | Effect on 2019 Pension Expense | Effect on December 31, 2018 PBO |
| 25 basis point decrease in discount rate | -\$80 | +\$1,480 | +\$19 | +\$589 |
| 25 basis point increase in discount rate | +\$80 | -\$1,420 | +\$11 | -\$564 |
| 25 basis point decrease in expected rate of return on assets | +\$140 | N/A | +\$33 | N/A |
| 25 basis point increase in expected rate of return on assets | -\$140 | N/A | -\$33 | N/A |

⁽a) The sensitivity does not include the effects of the individual annual yield curve rates applied for the calculation of the service and interest cost.

Refer to Note 15 to our consolidated financial statements for additional information on pension contributions, investment strategies, assumptions, the change in benefit obligations and related plan assets, pension funding requirements and future net benefit payments. Refer to Note 2 to our consolidated financial statements for a discussion of the inputs used to determine fair value for each significant asset class or category.

Valuation of Deferred Tax Assets The ability to realize deferred tax assets depends on the ability to generate sufficient taxable income within the carryback or carryforward periods provided for in the tax law for each applicable tax jurisdiction. The assessment regarding whether a valuation allowance is required or should be adjusted is based on an evaluation of possible sources of taxable income and also considers all available positive and negative evidence factors. Our accounting for the valuation of deferred tax assets represents our best estimate of future events. Changes in our current estimates, due to unanticipated market conditions, governmental legislative actions or events, could have a material effect on our ability to utilize deferred tax assets. Refer to Note 17 to our consolidated financial statements for additional information on the composition of these valuation allowances.

Forward-Looking Statements In this 2018 Form 10-K and in reports we subsequently file and have previously filed with the SEC on Forms 10-K and 10-Q and file or furnish on Form 8-K, and in related comments by our management, we use words like "aim," "anticipate," "approximately," "believe," "continue," "could," "designed," "effect," "estimate," "evaluate," "expect," "forecast," "goal," "initiative," "intend," "may," "objective," "outlook," "plan," "potential," "priorities," "project," "pursue," "seek," "should," "target," "when," "will," "would," or the negative of any of those words or similar expressions to identify forward-looking statements that represent our current judgment about possible future events. In making these statements we rely on assumptions and analysis based on our experience and perception of historical trends, current conditions and expected

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future developments as well as other factors we consider appropriate under the circumstances. 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, both positive and negative. These factors, which may be revised or supplemented in subsequent reports on SEC Forms 10-Q and 8-K, include among others the following: (1) our ability to deliver new products, services and customer experiences in response to increased competition in the automotive industry; (2) our ability to timely fund and introduce new and improved vehicle models that are able to attract a sufficient number of consumers; (3) the success of our crossovers, SUVs and full-size pick-up trucks; (4) our ability to successfully and cost-effectively restructure our operations in the U.S. and various other countries and initiate additional cost reduction actions with minimal disruption; (5) our ability to reduce the costs associated with the manufacture and sale of electric vehicles and drive increased consumer adoption; (6) unique technological, operational and regulatory risks related to our autonomous vehicle regulations; (7) global automobile market sales volume, which can be volatile; (8) our significant business in China which is subject to unique operational, competitive and regulatory risks as well as economic conditions in China; (9) our joint ventures, which we cannot operate solely for our benefit and over which we may have limited control; (10) the international scale and footprint of our operations which exposes us to a variety of political, economic and regulatory risks, including the risk of changes in government leadership and laws (including labor, tax and other laws), political instability and economic tensions between governments and changes in international trade policies, new barriers to entry and changes to or withdrawals from free trade agreements, changes in foreign exchange rates and interest rates, economic downturns in foreign countries, differing local product preferences and product requirements, compliance with U.S. and foreign countries' export controls and economic sanctions, differing labor regulations, requirements and union relationships, differing dealer and franchise regulations and relationships, and difficulties in obtaining financing in foreign countries; (11) any significant disruption at one of our manufacturing facilities could disrupt our production schedule; (12) the ability of our suppliers to deliver parts, systems and components without disruption and at such times to allow us to meet production schedules; (13) prices of raw materials used by us and our suppliers; (14) our highly competitive industry, which is characterized by excess manufacturing capacity and the use of incentives and the introduction of new and improved vehicle models by our competitors; (15) the possibility that competitors may independently develop products and services similar to ours or that our intellectual property rights are not sufficient to prevent competitors from developing or selling those products or services; (16) our ability to manage risks related to security breaches and other disruptions to our vehicles, information technology networks and systems; (17) our ability to comply with increasingly complex, restrictive, and punitive regulations relating to our enterprise data practices, including the collection, use, sharing, and security of the Personal Identifiable Information of our customers, employees, or suppliers; (18) our ability to comply with extensive laws and regulations applicable to our industry, including those regarding fuel economy and emissions and autonomous vehicles; (19) costs and risks associated with litigation and government investigations; (20) the cost and effect on our reputation of product safety recalls and alleged defects in products and services; (21) any additional tax expense or exposure; (22) our continued ability to develop captive financing capability through GM Financial; and (23) significant increases in our pension expense or projected pension contributions resulting from changes in the value of plan assets or the discount rate applied to value the pension liabilities or mortality or other assumption changes. A further list and description of these risks, uncertainties and other factors can be found in this 2018 Form 10-K and our subsequent filings with the SEC.

We caution readers not to place undue reliance on forward-looking statements. We undertake no obligation to update publicly or otherwise revise any forward-looking statements, whether as a result of new information, future events or other factors that affect the subject of these statements, except where we are expressly required to do so by law.

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Item 7A. Quantitative and Qualitative Disclosures About Market Risk

The overall financial risk management program is under the responsibility of the Chief Financial Officer with support from the Financial Risk Council which reviews and, where appropriate, approves strategies to be pursued to mitigate these risks. The Financial Risk Council comprises members of our management and functions under the oversight of the Audit Committee and Finance Committee of the Board of Directors. The Audit Committee and Finance Committee assist and guide the Board of Directors in its oversight of our financial and risk management strategies. A risk management control framework is utilized to monitor the strategies, risks and related hedge positions in accordance with the policies and procedures approved by the Financial Risk Council. Our financial risk management policy is designed to protect against risk arising from extreme adverse market movements on our key exposures.

Automotive The following analyses provide quantitative information regarding exposure to foreign currency exchange rate risk and interest rate risk. Sensitivity analysis is used to measure the potential loss in the fair value of financial instruments with exposure to market risk. The models used assume instantaneous, parallel shifts in exchange rates and interest rate yield curves. For options and other instruments with nonlinear returns, models appropriate to these types of instruments are utilized to determine the effect

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of market shifts. There are certain shortcomings inherent in the sensitivity analyses presented, due primarily to the assumption that interest rates change in a parallel fashion and that spot exchange rates change instantaneously. In addition the analyses are unable to reflect the complex market reactions that normally would arise from the market shifts modeled and do not contemplate the effects of correlations between foreign currency exposures, offsetting long-short positions in currency or other exposures such as interest rates which may significantly reduce the potential loss in value.

Foreign Currency Exchange Rate Risk We have foreign currency exposures related to buying, selling and financing in currencies other than the functional currencies of our operations. At December 31, 2018 our most significant foreign currency exposures were between the U.S. Dollar and the Canadian Dollar, Brazilian Real, Euro, Chinese Yuan, Australian Dollar, Mexican Peso, and Argentine Peso. Derivative instruments such as foreign currency forwards, swaps and options are used primarily to hedge exposures with respect to forecasted revenues, costs and commitments denominated in foreign currencies. Such contracts had remaining maturities of up to 12 months at December 31, 2018.

The net fair value liability of financial instruments with exposure to foreign currency risk was \$0.9 billion and \$0.8 billion at December 31, 2018 and 2017. These amounts are calculated utilizing a population of foreign currency exchange derivatives and foreign currency denominated debt and exclude the offsetting effect of foreign currency cash, cash equivalents and other assets. The potential loss in fair value for such financial instruments from a 10% adverse change in all quoted foreign currency exchange rates would have been \$0.1 billion at December 31, 2018 and 2017.

We are exposed to foreign currency risk due to the translation and remeasurement of the results of certain international operations into U.S. Dollars as part of the consolidation process. We had foreign currency derivatives with notional amounts of \$2.7 billion and \$4.0 billion at December 31, 2018 and 2017. The fair value of these derivative financial instruments was insignificant. Fluctuations in foreign currency exchange rates can therefore create volatility in the results of operations and may adversely affect our financial condition.

The following table summarizes the amounts of automotive foreign currency translation and transaction and remeasurement (gains) losses:

| | Years Ended | 1.5 | |
|---|-----------------|-----|-------|
| | 2018 | | 2017 |
| Translation (gains) losses recorded in Accumulated other comprehensive loss | \$ 353 | \$ | (275) |
| Transaction and remeasurement losses recorded in earnings | \$ 156 | \$ | 43 |

Interest Rate Risk We are subject to market risk from exposure to changes in interest rates related to certain financial instruments, primarily debt, capital lease obligations and certain marketable securities. We did not have any interest rate swap positions to manage interest rate exposures in our automotive operations at December 31, 2018 and 2017. The fair value liability of debt and capital leases was \$13.5 billion and \$15.1 billion at December 31, 2018 and 2017. The potential increase in fair value resulting from a 10% decrease in quoted interest rates would have been \$0.8 billion and \$0.7 billion at December 31, 2018 and 2017.

We had marketable securities of \$6.0 billion and \$8.3 billion classified as available-for-sale at December 31, 2018 and 2017. The potential decrease in fair value from a 50 basis point increase in interest rates would have had an insignificant effect at December 31, 2018 and 2017.

Automotive Financing - GM Financial

Interest Rate Risk Fluctuations in market interest rates can affect GM Financial's gross interest rate spread, which is the difference between interest earned on finance receivables and interest paid on debt. Typically retail finance receivables purchased by GM Financial bear fixed interest rates and are funded by variable or fixed rate debt. Commercial finance receivables originated by GM Financial bear variable interest rates and are funded by variable rate debt. The variable rate debt is subject to adjustments to reflect prevailing market interest rates. To help mitigate interest rate risk or mismatched funding, GM Financial may employ hedging strategies to lock in the interest rate spread.

Fixed interest rate receivables purchased by GM Financial may be pledged to secure borrowings under its credit facilities. Amounts borrowed under these credit facilities bear interest at variable rates that are subject to frequent adjustments to reflect prevailing market interest rates. To protect the interest rate spread within each credit facility, GM Financial is contractually required to enter into interest rate cap agreements in connection with borrowings under its credit facilities.

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In GM Financial's securitization transactions it can transfer fixed rate finance receivables to securitization trusts that, in turn, sell either fixed rate or floating rate securities to investors. Derivative financial instruments, such as interest rate swaps and caps, are used to manage the gross interest rate spread on the floating rate transactions.

Quantitative Disclosure We measure the sensitivity of our net interest income to changes in interest rates by using interest rate scenarios that assume a hypothetical, instantaneous parallel shift of one hundred basis points in all interest rates across all maturities, as well as a base case that assumes that rates perform at the current market forward curve. However, interest rate changes are rarely instantaneous or parallel and rates could move more or less than the one percentage point assumed in our analysis. Therefore, the actual impact to net interest income could be higher or lower than the results detailed in the table below. These interest rate scenarios are purely hypothetical and do not represent our view of future interest rate movements.

Under these interest rate scenarios, we are asset-sensitive, meaning that we expect more assets than liabilities to re-price within the next twelve months. During a period of rising interest rates, the interest earned on our assets will increase more than the interest paid on our debt, which would initially increase our net interest income. During a period of falling interest rates, we would expect our net interest income to initially decrease. The following table presents our net interest income sensitivity to interest rate movement:

| | Years Ended December 31, | | |
|--|------------------------------|----|--------|
| | 2018 | | 2017 |
| One hundred basis points instantaneous increase in interest rates | \$ 10.7 | \$ | 19.4 |
| One hundred basis points instantaneous decrease in interest rates(a) | \$ (10.7) | \$ | (19.4) |

⁽a) Net interest income sensitivity given a one hundred basis point decrease in interest rates requires an assumption of negative interest rates in markets where existing interest rates are below one percent.

Additional Model Assumptions The sensitivity analysis presented is our best estimate of the effect of the hypothetical interest rate scenarios; however, our actual results could differ. Our estimates are also based on assumptions including the amortization and prepayment of the finance receivable portfolio, originations of finance receivables and leases, refinancing of maturing debt, replacement of maturing derivatives and exercise of options embedded in debt and derivatives. Our prepayment projections are based on historical experience. If interest rates or other factors change, our actual prepayment experience could be different than projected.

Foreign Currency Exchange Rate Risk GM Financial is exposed to foreign currency risk due to the translation and remeasurement of the results of certain international operations into U.S. Dollars as part of the consolidation process. Fluctuations in foreign currency exchange rates can therefore create volatility in the results of operations and may adversely affect GM Financial's financial condition.

GM Financial primarily finances its receivables and leased assets with debt in the same currency. When a different currency is used GM Financial may use foreign currency swaps to convert substantially all of its foreign currency debt obligations to the local currency of the receivables and lease assets to minimize any impact to earnings.

GM Financial had foreign currency swaps with notional amounts of \$3.9 billion and \$2.8 billion at December 31, 2018 and 2017. The fair value of these derivative financial instruments was insignificant.

The following table summarizes GM Financial's foreign currency translation and transaction and remeasurement (gains) losses:

| | Years Ended | | |
|---|-----------------|----|-------|
| | 2018 | | 2017 |
| Translation (gains) losses recorded in Accumulated other comprehensive loss | \$ 291 | \$ | (474) |
| Transaction and remeasurement losses, net recorded in earnings | \$ 12 | \$ | 9 |

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of General Motors Company

Opinion on the Financial Statements

We have audited the accompanying Consolidated Balance Sheet of General Motors Company and subsidiaries (the Company) as of December 31, 2018, the related Consolidated Statements of Income, Comprehensive Income, Cash Flows, and Equity for the year ended December 31, 2018, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2018, and the results of its operations and its cash flows for the year ended December 31, 2018, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2018, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated February 6, 2019 expressed an unqualified opinion thereon.

Adoption of Accounting Standards Update (ASU) No. 2014-09

As discussed in Note 2 to the consolidated financial statements, the Company changed its method of accounting for revenue from contracts with customers in 2018 due to the adoption of ASU No. 2014-09, "Revenue from Contracts with Customers," as amended.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

/s/ ERNST & YOUNG LLP

We have served as the Company's auditor since 2017.

Detroit, Michigan February 6, 2019

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of General Motors Company

Opinion on Internal Control over Financial Reporting

We have audited General Motors Company and subsidiaries' internal control over financial reporting as of December 31, 2018, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, General Motors Company and subsidiaries (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2018, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Consolidated Balance Sheet of the Company as of December 31, 2018, the related Consolidated Statements of Income, Comprehensive Income, Cash Flows and Equity for the year ended December 31, 2018, and the related notes and our report dated February 6, 2019 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ ERNST & YOUNG LLP

Detroit, Michigan February 6, 2019

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of General Motors Company:

Opinion on the Financial Statements

We have audited the accompanying Consolidated Balance Sheet of General Motors Company and subsidiaries (the "Company") as of December 31, 2017, the related Consolidated Statements of Income, Comprehensive Income, Cash Flows, and Equity for the years ended December 31, 2017 and 2016, and the related notes (collectively referred to as the "financial statements"). In our opinion, the 2017 and 2016 financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2017, and the results of its operations and its cash flows for the years ended December 31, 2017 and 2016, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Deloitte & Touche LLP

Detroit, Michigan

February 6, 2018 (July 25, 2018 as to Note 25, Segment Reporting)

We began serving as the Company's auditor in 1918. In 2018 we became the predecessor auditor.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

Item 8. Financial Statements and Supplementary Data

CONSOLIDATED INCOME STATEMENTS (In millions, except per share amounts)

| | | Years Ended December 31, 2018 2017 2016 | | | | |
|--|------|---|---------|---------|------|---------|
| | 2018 | | 18 2017 | | 2017 | |
| Net sales and revenue | | | | | | |
| Automotive | \$ | 133,045 | \$ | 133,449 | \$ | 140,205 |
| GM Financial | | 14,004 | | 12,139 | | 8,979 |
| Total net sales and revenue (Note 3) | | 147,049 | | 145,588 | | 149,184 |
| Costs and expenses | | | | | | |
| Automotive and other cost of sales | | 120,656 | | 116,229 | | 121,784 |
| GM Financial interest, operating and other expenses | | 12,298 | | 11,128 | | 8,369 |
| Automotive and other selling, general and administrative expense | | 9,650 | | 9,570 | | 10,345 |
| Total costs and expenses | | 142,604 | | 136,927 | | 140,498 |
| Operating income | | 4,445 | | 8,661 | | 8,686 |
| Automotive interest expense | | 655 | | 575 | | 563 |
| Interest income and other non-operating income, net (Note 19) | | 2,596 | | 1,645 | | 1,603 |
| Equity income (Note 8) | | 2,163 | | 2,132 | | 2,282 |
| Income before income taxes | | 8,549 | | 11,863 | | 12,008 |
| Income tax expense (Note 17) | | 474 | | 11,533 | | 2,739 |
| Income from continuing operations | | 8,075 | | 330 | | 9,269 |
| Loss from discontinued operations, net of tax (Note 22) | | 70 | | 4,212 | | 1 |
| Net income (loss) | | 8,005 | | (3,882) | | 9,268 |
| Net loss attributable to noncontrolling interests | | 9 | | 18 | | 159 |
| Net income (loss) attributable to stockholders | \$ | 8,014 | \$ | (3,864) | \$ | 9,427 |
| Net income (loss) attributable to common stockholders | \$ | 7,916 | \$ | (3,880) | \$ | 9,427 |
| Earnings per share (Note 21) | | | | | | |
| Basic earnings per common share – continuing operations | \$ | 5.66 | \$ | 0.23 | \$ | 6.12 |
| Basic loss per common share – discontinued operations | \$ | 0.05 | \$ | 2.88 | \$ | _ |
| Basic earnings (loss) per common share | \$ | 5.61 | \$ | (2.65) | \$ | 6.12 |
| Weighted-average common shares outstanding – basic | | 1,411 | | 1,465 | | 1,540 |
| Diluted earnings per common share – continuing operations | \$ | 5.58 | \$ | 0.22 | \$ | 6.00 |
| Diluted loss per common share – discontinued operations | \$ | 0.05 | \$ | 2.82 | \$ | _ |
| Diluted earnings (loss) per common share | \$ | 5.53 | \$ | (2.60) | \$ | 6.00 |
| Weighted-average common shares outstanding - diluted | | 1,431 | | 1,492 | | 1,570 |

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In millions)

| | Years Ended December 31, | | | | | |
|---|--------------------------|-------|----|---------|----|-------|
| | 2 | 2018 | | 2017 | | 2016 |
| Net income (loss) | \$ | 8,005 | \$ | (3,882) | \$ | 9,268 |
| Other comprehensive income (loss), net of tax (Note 20) | | | | | | |
| Foreign currency translation adjustments and other | | (715) | | 747 | | (384) |
| Defined benefit plans | | (221) | | 570 | | (969) |

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|--|-----|--------|-------|---------|---------|--------|
| Other comprehensive income (loss), net of tax 187 | | (936) | | 1,317 | (| 1,353) |
| Comprehensive income (loss) | | 7,069 | - | (2,565) | | 7,915 |
| Comprehensive loss attributable to noncontrolling interests | | 15 | | 20 | | 218 |
| Comprehensive income (loss) attributable to stockholders | \$ | 7,084 | \$ | (2,545) | \$ | 8,133 |

Reference should be made to the notes to consolidated financial statements.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (In millions, except per share amounts)

| Carbon and each equivalents \$ 20,844 \$ 1,51512 Cash and each equivalents \$ 20,844 \$ 3,135 Cash and each equivalents \$ 5,966 \$ 3,135 Cash and each equivalents \$ 6,549 \$ 3,165 Cash and each equivalents (Note 4) \$ 6,549 \$ 3,165 Cash and notes receivable, net (Note 5; Note 11 at VIEs) \$ 26,859 \$ 20,502 Inveatories (Note 6) \$ 9,816 \$ 10,663 Equipment on operating leases, net (Note 7) \$ 4465 Total current assets (Note 4; Note 11 at VIEs) \$ 5,001 \$ 4,665 Total current assets (Note 4; Note 11 at VIEs) \$ 5,002 \$ 68,744 Total current assets (Note 5; Note 11 at VIEs) \$ 5,002 \$ 68,744 Total current assets (Note 5; Note 11 at VIEs) \$ 25,083 \$ 21,208 Equipment assets of conconsolidated affiliates (Note 8) \$ 9,215 \$ 9,073 Property, net (Note 9) \$ 2,073 \$ 9,073 Property, net (Note 9) \$ 3,759 \$ 9,215 \$ 9,073 Property, net (Note 9) \$ 3,759 \$ 9,215 \$ 9,073 Property, net (Note 9) \$ 3,759 \$ 9,215 \$ 9,073 Property, net (Note 9) \$ 3,759 \$ 9,215 \$ 9,073 Property, net (Note 9) \$ 3,759 \$ 9,215 \$ 9,073 Property, net (Note 9) \$ 3,759 \$ 9,215 \$ 9,073 Property, net (Note 9) \$ 3,759 \$ 9,215 \$ 9,073 Property, net (Note 9) \$ 3,759 \$ 9,215 \$ 9,073 Property, net (Note 9) \$ 3,759 \$ 9,215 \$ 9,073 Property, net (Note 9) \$ 3,759 \$ 9,215 \$ 9,073 Property, net (Note 9) \$ 3,759 \$ 9,215 \$ 9,073 Property, net (Note 9) \$ 3,759 \$ 9,215 \$ 9,073 Property, net (Note 9) \$ 3,759 \$ 9,215 \$ 9,073 Property, net (Note 9) \$ 3,759 \$ 9,073 Property, net | | Decer | nber 31, 2018 | Decer | mber 31, 2017 |
|---|---|-------|---------------|-------|---------------|
| Cash and eash equivalents \$ 20,84 \$ 1,512 Marketable securities (Note 4) 5,566 8,313 Accounts and notes receivable (net of allowance of \$211 and \$278) 6,549 8,164 GNM Financial receivables, net (Note 5) Note 11 at VIEs) 26,859 20,522 Inventories (Note 6) 9,816 10,663 Equipment on operating leases, net (Note 7) 4405 4405 Other current assets (Note 4); Note 11 at VIEs) 5,271 68,744 More Treath Assets (Note 4); Note 11 at VIEs) 25,083 21,208 Equipment on operating leases, net (Note 5): Note 11 at VIEs) 25,083 21,208 Equipment on operating leases, net (Note 10) 5,579 8,404 Goodwill and intangible assets, net (Note 10) 5,579 8,404 Equipment on operating leases, net (Note 11 at VIEs) 43,559 24,882 Defered income taxes (Note 17) 24,082 23,344 Other assets (Note 20) 5,779 8,435 Italiant (Note 11 at VIEs) 5,279 2,232 Italiant (Note 11 at VIEs) 22,232 2,232 South (Asset) 2,232 | ASSETS | | | | |
| Marketable securities (Note 4) 5,966 8,131 Accounts and notes receivable (net of allowance of \$211 and \$278) 6,549 8,164 GM Financial receivables, net (Note 5; Note 11 at VIEs) 26,855 20,521 Inventories (Note 6) 9,816 10,603 Equipment on operating leases, net (Note 7) 247 1,106 Other current assets (Note 4; Note 11 at VIEs) 5,221 4,465 Total current assets 25,083 21,208 Fquity in net assets of nonononolidated affiliates (Note 8) 22,158 20,218 Equity in net assets of nonononolidated affiliates (Note 8) 9,215 9,073 Goodwill and intangible assets, net (Note 7; Note 11 at VIEs) 38,78 36,253 Goodwill and intangible assets, net (Note 7; Note 11 at VIEs) 43,559 42,882 Uberred income taxes (Note 17) 443,559 42,882 Obberred income taxes (Note 1, Note 11 at VIEs) 5,770 43,589 Total current assets 5,204 143,738 Total current incomplex trace 9,22 2,292 Short-term debt and current portion of long-term debt (Note 13) 22,892 2,515 | | ф | 20.044 | Ф | 15.510 |
| Accounts and notes receivable (net of allowance of \$211 and \$278) 6,549 8,164 GM Financial receivables, net (Note 5; Note 11 at VIEs) 26,850 20,521 Inventories (Note 6) 9,816 10,663 Equipment on operating leases, net (Note 7) 247 1,106 Other current assets (Note 4; Note 11 at VIEs) 5,021 4,465 Total current assets (Note 5; Note 11 at VIEs) 25,083 21,208 Equity in net assets of nonconsolidated affiliates (Note 8) 2,15 9,073 Equity in net assets of nonconsolidated affiliates (Note 8) 3,215 9,073 Property, net (Note 9) 38,758 36,253 Goodwill and intangible assets, net (Note 7)? Note 11 at VIEs) 43,559 42,882 Deferred income taxes (Note 17) 24,082 25,448 Other assets (Note 4; Note 11 at VIEs) 5,204 143,738 Total non-current assets 152,046 143,738 Total non-current assets 522,297 \$ 23,929 Short-term debt and current portion of long-term debt (Note 13) 9,95 2,515 GM Financial (Note 11 at VIEs) 9,95 2,515 | - | \$ | | \$ | |
| GM Financial receivables, net (Note 5; Note 11 at VIEs) 26,850 20,251 Inventories (Note 6) 9,816 10,683 Equipment on operating leases, net (Note 7) 4,465 Other current assets 5,021 4,465 Total current assets 75,293 68,744 Non-current Assets 8 21,208 Equity in reteriables, net (Note 5; Note 11 at VIEs) 25,083 21,208 Equity in net assets of noncomosibilidud alfilitates (Note 8) 9,215 9,073 Property, net (Note 9) 38,785 36,253 Goodwill and intangible asset, net (Note 17) Note 11 at VIEs) 5,79 5,849 Equipment on operating leases, net (Note 7; Note 11 at VIEs) 21,002 23,444 Other assets (Note 4, Note 11 at VIEs) 5,77 4,929 Intal annone current assets 22,733 22,248 Edeferred income taxes (Note 17) 20,22 23,22 Total current assets 5,27 4,929 Total none current assets 22,23 25,22 Total current assets 22,27 25,22 Accounts payable (principally trad | | | | | |
| Inventories (Note 6) | | | | | |
| Equipment on operating leases, net (Note 7) 4,06 Other current assets (Note 4; Note 11 at VIEs) 5,02 4,465 Total current assets 7,20 6,744 Non-current Assets 8,02 1,20 GM Financial receivables, net (Note 5; Note 11 at VIEs) 25,083 21,208 Equity in net assets of nonconsolidated affiliates (Note 8) 9,215 9,073 Property, net (Note 9) 38,785 36,236 Goodwill and intangible assets, net (Note 10) 5,799 5,849 Equipment on operating leases, net (Note 7; Note 11 at VIEs) 43,559 42,882 Deferred income taxes (Note 17) 40,02 23,544 Other assets (Note 4; Note 11 at VIEs) 43,559 42,882 Total non-current assets 152,04 13,738 42,882 Total and such explorating leases, net (Note 7; Note 11 at VIEs) 5 22,239 22,248 23,548 Total and current assets 152,04 13,538 24,882 24,882 24,882 24,882 24,882 24,882 24,882 24,882 24,882 24,882 24,882 24,882 24,882 | | | | | |
| Other current assets (Note 4; Note 11 at VIEs) 5,021 4,465 Total current assets 75,293 68,748 Non-current Assets 75,203 68,748 Non-current Assets 35,208 21,028 GM Financial receivables, net (Note 5; Note 11 at VIEs) 25,033 20,033 Property, net (Note 9) 38,735 36,235 36,235 Godwill and intangible assets, net (Note 10) 5,79 5,849 22,828 Equipment on operating leases, net (Note 11 at VIEs) 24,028 23,548 48,828 Deferred income taxes (Note 17) 24,028 23,548 48,828 | | | | | |
| Total current Assets 75,293 68,744 Non-current Assets 8000-current Assets 8000-current Assets Equity in net assets of nonconsolidated affiliates (Note 8) 25,083 21,208 Equity in net assets of nonconsolidated affiliates (Note 8) 38,758 36,233 Froperty, net (Note 9) 38,758 36,235 Goodwill and intangible assets, net (Note 10) 5,579 5,849 Equipment on operating leases, net (Note 7; Note 11 at VIEs) 24,082 22,544 Other assets (Note 4; Note 11 at VIEs) 24,082 23,544 Other assets (Note 4; Note 11 at VIEs) 5,204 42,292 Total non-current assets 152,046 143,738 Total Assets 22,233 22,2482 Current Liabilities Accounts payable (principally trade) 8 22,297 23,292 Short-term debt and current portion of long-term debt (Note 13) 25,155 GMF jimancial (Note 11 at VIEs) 30,956 24,450 Accounts payable (principally trade) 8 22,293 25,956 Total current Liabilities 13,028 10,987 | | | | | |
| Non-current Assets 25,083 21,088 Equity in net assets of nonconsolidated affiliates (Note 8) 9,073 9,073 Property, net (Note 9) 38,78 36,258 Goodwill and intangible assets, net (Note 10) 5,579 5,849 Equipment on operating leases, net (Note 7; Note 11 at VIEs) 43,559 42,882 Deferred income taxes (Note 17) 24,082 23,544 Other assets (Note 4; Note 11 at VIEs) 5,270 4,929 Total non-current assets 152,046 143,738 Total non-current assets 5,273,39 212,482 LIABILITIES AND EQUITY Current Liabilities 22,273,39 23,929 Short-term debt and current portion of long-term debt (Note 13) Automotive 935 2,515 GM Financial (Note 11 at VIEs) 30,956 24,450 Accured liabilities (Note 12) 30,956 24,500 Total current Liabilities 30,255 36,267 Postretirement benefits other than pensions (Note 15) 5,279 36,267 Postretirement benefits other than pensions (Note 15) | | | | | |
| GM Financial receivables, net (Note 5; Note 11 at VIEs) 25,083 21,208 Equity in net assets of nonconsolidated affiliates (Note 8) 9,215 9,073 Property, net (Note 9) 38,788 36,253 Goodwill and intangible assets, net (Note 10) 5,579 5,849 Equipment on operating leases, net (Note 7; Note 11 at VIEs) 43,559 42,882 Deferred income taxes (Note 17) 24,082 35,44 Other assets (Note 4; Note 11 at VIEs) 5,770 4,929 Total non-current assets 152,046 143,738 Total Assets 22,233 2 21,248 LIABILITIES AND EQUITY Current Liabilities Current Liabilities Accounts payable (principally trade) \$ 22,297 \$ 23,929 Short-term debt and current portion of long-term debt (Note 13) 30,956 2,515 GM Financial (Note 11 at VIEs) 30,956 2,515 GM Financial (Note 12 at VIEs) 82,297 7,629 Cong-term debt (Note 13) 1,087 6,032 5,6267 Automotive 5,370 | | | 75,293 | | 68,744 |
| Equity in net assets of nonconsolidated affiliates (Note 8) 9,215 9,073 Property, net (Note 9) 38,758 36,253 Goodwill and intangible assets, net (Note 10) 5,579 5,849 Equipment on operating leases, net (Note 17 Note 11 at VIEs) 43,559 42,882 Deferred income taxes (Note 17) 40,929 35,444 Other assets (Note 4, Note 11 at VIEs) 5,770 4,929 Total non-current assets 152,046 143,738 Total Assets 227,339 212,482 LABILITIES AND EQUITY Current Liabilities Accounts payable (principally trade) \$ 22,273 23,929 Short-term debt and current portion of long-term debt (Note 13) 30,956 24,450 Accounts payable (principally trade) 935 2,515 GM Financial (Note 11 at VIEs) 30,956 24,450 Accounts payable (principally trade) 935 2,515 GM-current Liabilities (Note 12) 30,956 24,450 Total Current Liabilities (Note 11 at VIEs) 30,956 5,706 | | | | | |
| Property, net (Note 9) 38,758 36,253 Goodwill and intangible assets, net (Note 10) 5,579 5,849 Equipment on operating leases, net (Note 7; Note 11 at VIEs) 43,559 42,882 Deferred income taxes (Note 17) 4,929 23,544 Other assets (Note 4; Note 11 at VIEs) 5,770 4,929 Total non-current assets 152,046 143,738 Total Assets 227,339 212,482 LABILITIES AND EQUITY Current Liabilities Accounts payable (principally trade) \$22,297 \$ 23,929 Short-term debt and current portion of long-term debt (Note 13) 93 2,515 Automotive 935 2,515 GM Financial (Note 11 at VIEs) 30,956 24,450 Accrued liabilities (Note 12) 30,956 24,450 Non-current Liabilities 13,028 10,987 Fost current liabilities 60,032 56,267 Postretirement benefits other than pensions (Note 15) 5,370 5,998 Pensions (Note 15) 11,538 13,046 Otta | GM Financial receivables, net (Note 5; Note 11 at VIEs) | | 25,083 | | 21,208 |
| Godwill and intangible assets, net (Note 10) 5,579 5,849 Equipment on operating leases, net (Note 7; Note 11 at VIEs) 43,559 42,882 Deferred income taxes (Note 17) 24,082 23,544 Other assets (Note 4; Note 11 at VIEs) 5,770 4,929 Total Assets 152,046 143,738 Total Assets 222,339 212,482 LIABILITIES AND EQUITY Current Liabilities Accounts payable (principally trade) \$ 22,297 \$ 23,929 Short-term debt and current portion of long-term debt (Note 13) 30,956 24,450 Accound liabilities (Note 11 at VIEs) 30,956 24,50 Accrued liabilities (Note 12) 28,049 25,996 Total current Liabilities 82,237 76,890 Non-current Liabilities 13,028 10,987 GM Financial (Note 11 at VIEs) 60,032 56,267 Postericrement benefits other than pensions (Note 15) 5,370 5,998 Pensions (Note 15) 11,538 13,746 Other liabilities (Note 12) 12,235 9,932 < | Equity in net assets of nonconsolidated affiliates (Note 8) | | 9,215 | | 9,073 |
| Equipment on operating leases, net (Note 7; Note 11 at VIEs) 43,559 42,882 Deferred income taxes (Note 17) 24,082 23,544 Other assets (Note 4; Note 11 at VIEs) 5,770 4,929 Total non-current assets 152,046 143,738 Total Assets 227,339 212,482 LIABILITIES AND EQUITY Current Liabilities Accounts payable (principally trade) \$ 22,297 \$ 23,929 Short-term debt and current portion of long-term debt (Note 13) 30,56 24,50 Accounts payable (principally trade) 935 2,515 GM Financial (Note 11 at VIEs) 30,956 24,50 Account diabilities (Note 12) 28,09 25,96 Total current Liabilities 82,23 76,80 Non-current Liabilities 13,028 10,987 GM Financial (Note 13) 13,028 10,987 GM Financial (Note 11 at VIEs) 60,032 5,626 Postretirement benefits other than pensions (Note 15) 5,370 5,988 Postretirement benefits other than pensions (Note 15) 11,538 13,746 <td>Property, net (Note 9)</td> <td></td> <td>38,758</td> <td></td> <td>36,253</td> | Property, net (Note 9) | | 38,758 | | 36,253 |
| Deferred income taxes (Note 17) 24,082 23,544 Other assets (Note 4; Note 11 at VIEs) 5,770 4,929 Total non-current assets 152,046 143,738 Total Assets 227,339 212,482 LIABILITIES AND EQUITY Current Liabilities Accounts payable (principally trade) 8 22,297 \$ 23,929 Short-term debt and current portion of long-term debt (Note 13) 95 2,515 GM Financial (Note 11 at VIEs) 30,956 24,509 Accrued liabilities (Note 12) 82,237 76,800 Non-current Liabilities Long-term debt (Note 13) 13,028 10,987 Automotive 13,028 10,987 GM Financial (Note 11 at VIEs) 6,032 56,267 Postretirement benefits other than pensions (Note 15) 5,37 5,988 Pensions (Note 15) 11,538 13,746 Other liabilities (Note 12) 11,538 13,746 Other liabilities (Note 12) 11,538 13,748 Other Liabilities | Goodwill and intangible assets, net (Note 10) | | 5,579 | | 5,849 |
| Other assets (Note 4; Note 11 at VIEs) 5,770 4,929 Total non-current assets 152,046 143,738 Total Assets 227,339 2 12,488 LIABILITIES AND EQUITY Current Liabilities Accounts payable (principally trade) \$ 22,297 \$ 23,929 Short-term debt and current portion of long-term debt (Note 13) 95 2,515 Automotive 935 2,515 Accrued liabilities (Note 12) 30,956 24,540 Accrued liabilities (Note 12) 28,049 25,996 Total current liabilities 82,237 76,890 Non-current Liabilities Long-term debt (Note 13) 13,028 10,987 GMF inancial (Note 11 at VIEs) 60,032 56,267 Persions (Note 15) 5,370 5,998 Pensions (Note 15) 11,538 13,748 Other liabilities (Note 12) 12,357 12,349 Other liabilities (Note 12) 12,357 12,349 Other liabilities (Note 12) 12,357 12,349 | Equipment on operating leases, net (Note 7; Note 11 at VIEs) | | 43,559 | | 42,882 |
| Total non-current assets 152,046 143,738 Total Assets 152,046 143,738 LIABILITIES AND EQUITY Current Liabilities Accounts payable (principally trade) \$ 2,929 Short-term debt and current portion of long-term debt (Note 13) Automotive 935 2,515 GM Financial (Note 11 at VIEs) 30,956 24,450 Accound liabilities (Note 12) 28,049 25,966 Total current liabilities Non-current Liabilities Automotive 13,028 10,987 GM Financial (Note 13) 13,028 10,987 GMF inancial (Note 11 at VIEs) 6,098 Pensions (Note 15) 5,376 5,998 Pensions (Note 15) 11,538 13,746 Other liabilities (Note 12) 11,234 12,394 10,41< | Deferred income taxes (Note 17) | | 24,082 | | 23,544 |
| Total Assets \$ 227,339 \$ 212,482 Current Liabilities Accounts payable (principally trade) \$ 22,297 \$ 23,929 Short-term debt and current portion of long-term debt (Note 13) \$ 22,297 \$ 23,929 Short-term debt and current portion of long-term debt (Note 13) 30,956 24,450 Accrued liabilities (Note 12) 28,049 25,996 Total current liabilities 82,237 76,890 Non-current Liabilities Long-term debt (Note 13) 13,028 10,987 Automotive 13,028 10,987 GM Financial (Note 11 at VIEs) 60,032 56,267 Postretirement benefits other than pensions (Note 15) 5,370 5,998 Pensions (Note 15) 11,538 13,746 Other liabilities (Note 12) 12,357 12,344 Total non-current liabilities 18,562 76,282 Total Liabilities 18,562 76,282 Commitments and contingencies (Note 16) 18,562 76,282 Commitments and contingencies (Note 16) 18,562 76,2 | Other assets (Note 4; Note 11 at VIEs) | | 5,770 | | 4,929 |
| LIABILITIES AND EQUITY Current Liabilities Accounts payable (principally trade) \$ 22,297 \$ 23,929 Short-term debt and current portion of long-term debt (Note 13) 935 2,515 Automotive 9935 24,450 Accrued liabilities (Note 12) 28,049 25,996 Total current liabilities 82,237 76,890 Non-current Liabilities Long-term debt (Note 13) 13,028 10,987 Automotive 13,028 10,987 GM Financial (Note 11 at VIEs) 60,032 56,267 Postretirement benefits other than pensions (Note 15) 5,370 5,998 Pensions (Note 15) 11,538 13,746 Other liabilities (Note 12) 11,538 13,746 Other liabilities (Note 12) 12,357 12,394 Total non-current liabilities 184,562 176,282 Commitments and contingencies (Note 16) 184,562 176,282 Commitments and contingencies (Note 16) 284,000 176,282 Commitments and contingencies (Note 16) 284,000 | Total non-current assets | | 152,046 | | 143,738 |
| Current Liabilities Accounts payable (principally trade) \$ 22,297 \$ 23,929 Short-term debt and current portion of long-term debt (Note 13) 30,956 24,450 Automotive 30,956 24,450 GM Financial (Note 11 at VIEs) 28,049 25,996 Accrued liabilities (Note 12) 82,237 76,890 Total current Liabilities 82,237 76,890 Non-current Liabilities Automotive 13,028 10,987 GM Financial (Note 13) 60,032 56,267 Postretirement benefits other than pensions (Note 15) 5,370 5,998 Pensions (Note 15) 11,538 13,746 Other liabilities (Note 12) 12,357 12,394 Total non-current liabilities 102,325 99,392 Total Liabilities 184,562 176,282 Commitments and contingencies (Note 16) 184,562 176,282 Equity (Note 20) 14 14 14 Common stock, \$0.01 par value 14 14 14 | Total Assets | \$ | 227,339 | \$ | 212,482 |
| Accounts payable (principally trade) \$ 22,297 \$ 23,929 Short-term debt and current portion of long-term debt (Note 13) 30,956 2,515 Automotive 30,956 24,450 GM Financial (Note 11 at VIEs) 28,049 25,996 Accrued liabilities (Note 12) 82,237 76,890 Non-current Liabilities Long-term debt (Note 13) Automotive 13,028 10,987 GM Financial (Note 11 at VIEs) 60,032 56,267 Postretirement benefits other than pensions (Note 15) 5,370 5,998 Pensions (Note 15) 11,538 13,746 Other liabilities (Note 12) 12,357 12,394 Total non-current liabilities 184,562 176,282 Commitments and contingencies (Note 16) Equity (Note 20) Common stock, \$0.01 par value 14 14 | LIABILITIES AND EQUITY | | | | |
| Short-term debt and current portion of long-term debt (Note 13) Automotive 935 2,515 GM Financial (Note 11 at VIEs) 30,956 24,450 Accrued liabilities (Note 12) 28,049 25,996 Total current liabilities 82,237 76,890 Non-current Liabilities Long-term debt (Note 13) 4 13,028 10,987 GM Financial (Note 11 at VIEs) 60,032 56,267 Postretirement benefits other than pensions (Note 15) 5,370 5,998 Pensions (Note 15) 11,538 13,746 Other liabilities (Note 12) 12,357 12,394 Total non-current liabilities 102,325 99,392 Total Liabilities 184,562 176,282 Commitments and contingencies (Note 16) 14 14 Equity (Note 20) 14 14 14 | Current Liabilities | | | | |
| Short-term debt and current portion of long-term debt (Note 13) Automotive 935 2,515 GM Financial (Note 11 at VIEs) 30,956 24,450 Accrued liabilities (Note 12) 28,049 25,996 Total current liabilities 82,237 76,890 Non-current Liabilities Long-term debt (Note 13) 4 13,028 10,987 GM Financial (Note 11 at VIEs) 60,032 56,267 Postretirement benefits other than pensions (Note 15) 5,370 5,998 Pensions (Note 15) 11,538 13,746 Other liabilities (Note 12) 12,357 12,394 Total non-current liabilities 102,325 99,392 Total Liabilities 184,562 176,282 Commitments and contingencies (Note 16) 14 14 Equity (Note 20) 14 14 14 | Accounts payable (principally trade) | \$ | 22,297 | \$ | 23,929 |
| GM Financial (Note 11 at VIEs) 30,956 24,450 Accrued liabilities (Note 12) 28,049 25,996 Total current liabilities 82,237 76,890 Non-current Liabilities Long-term debt (Note 13) 4 13,028 10,987 GM Financial (Note 11 at VIEs) 60,032 56,267 Postretirement benefits other than pensions (Note 15) 5,370 5,998 Pensions (Note 15) 11,538 13,746 Other liabilities (Note 12) 12,357 12,394 Total non-current liabilities 102,325 99,392 Total Liabilities Commitments and contingencies (Note 16) Equity (Note 20) 14 14 Common stock, \$0.01 par value 14 14 | Short-term debt and current portion of long-term debt (Note 13) | | | | |
| GM Financial (Note 11 at VIEs) 30,956 24,450 Accrued liabilities (Note 12) 28,049 25,996 Total current liabilities 82,237 76,890 Non-current Liabilities Long-term debt (Note 13) 13,028 10,987 Automotive 13,028 10,987 GM Financial (Note 11 at VIEs) 60,032 56,267 Postretirement benefits other than pensions (Note 15) 5,370 5,998 Pensions (Note 15) 11,538 13,746 Other liabilities (Note 12) 12,357 12,394 Total non-current liabilities 102,325 99,392 Commitments and contingencies (Note 16) Equity (Note 20) 14 14 Common stock, \$0.01 par value 14 14 | | | 935 | | 2,515 |
| Accrued liabilities (Note 12) 28,049 25,996 Total current liabilities 82,237 76,890 Non-current Liabilities 82,237 76,890 Long-term debt (Note 13) 13,028 10,987 Automotive 13,028 10,987 GM Financial (Note 11 at VIEs) 60,032 56,267 Postretirement benefits other than pensions (Note 15) 5,370 5,998 Pensions (Note 15) 11,538 13,746 Other liabilities (Note 12) 12,357 12,394 Total non-current liabilities 102,325 99,392 Total Liabilities 184,562 176,282 Commitments and contingencies (Note 16) Equity (Note 20) 14 14 | GM Financial (Note 11 at VIEs) | | 30,956 | | |
| Total current liabilities Non-current Liabilities Long-term debt (Note 13) 13,028 10,987 Automotive 13,028 10,987 GM Financial (Note 11 at VIEs) 60,032 56,267 Postretirement benefits other than pensions (Note 15) 5,370 5,998 Pensions (Note 15) 11,538 13,746 Other liabilities (Note 12) 12,394 Total non-current liabilities 102,325 99,392 Total Liabilities 184,562 176,282 Commitments and contingencies (Note 16) Equity (Note 20) Common stock, \$0.01 par value 14 14 14 | Accrued liabilities (Note 12) | | | | |
| Non-current Liabilities Long-term debt (Note 13) 13,028 10,987 Automotive 13,028 10,987 GM Financial (Note 11 at VIEs) 60,032 56,267 Postretirement benefits other than pensions (Note 15) 5,370 5,998 Pensions (Note 15) 11,538 13,746 Other liabilities (Note 12) 12,357 12,394 Total non-current liabilities 102,325 99,392 Total Liabilities 184,562 176,282 Commitments and contingencies (Note 16) Equity (Note 20) Common stock, \$0.01 par value 14 14 | Total current liabilities | | | | |
| Long-term debt (Note 13) 13,028 10,987 Automotive 13,028 10,987 GM Financial (Note 11 at VIEs) 60,032 56,267 Postretirement benefits other than pensions (Note 15) 5,370 5,998 Pensions (Note 15) 11,538 13,746 Other liabilities (Note 12) 12,357 12,394 Total non-current liabilities 102,325 99,392 Total Liabilities Commitments and contingencies (Note 16) Equity (Note 20) Common stock, \$0.01 par value 14 14 | Non-current Liabilities | | - , | | , |
| Automotive 13,028 10,987 GM Financial (Note 11 at VIEs) 60,032 56,267 Postretirement benefits other than pensions (Note 15) 5,370 5,998 Pensions (Note 15) 11,538 13,746 Other liabilities (Note 12) 12,357 12,394 Total non-current liabilities 102,325 99,392 Total Liabilities Commitments and contingencies (Note 16) Equity (Note 20) Common stock, \$0.01 par value 14 14 | | | | | |
| GM Financial (Note 11 at VIEs) 60,032 56,267 Postretirement benefits other than pensions (Note 15) 5,370 5,998 Pensions (Note 15) 11,538 13,746 Other liabilities (Note 12) 12,357 12,394 Total non-current liabilities 102,325 99,392 Total Liabilities 184,562 176,282 Commitments and contingencies (Note 16) Equity (Note 20) Common stock, \$0.01 par value 14 14 | , | | 13 028 | | 10 987 |
| Postretirement benefits other than pensions (Note 15) 5,370 5,998 Pensions (Note 15) 11,538 13,746 Other liabilities (Note 12) 12,357 12,394 Total non-current liabilities 102,325 99,392 Total Liabilities 184,562 176,282 Commitments and contingencies (Note 16) Equity (Note 20) Common stock, \$0.01 par value 14 14 | | | | | |
| Pensions (Note 15) 11,538 13,746 Other liabilities (Note 12) 12,357 12,394 Total non-current liabilities 102,325 99,392 Total Liabilities 184,562 176,282 Commitments and contingencies (Note 16) Equity (Note 20) Common stock, \$0.01 par value 14 14 | | | | | |
| Other liabilities (Note 12) 12,357 12,394 Total non-current liabilities 102,325 99,392 Total Liabilities 184,562 176,282 Commitments and contingencies (Note 16) Equity (Note 20) 14 14 Common stock, \$0.01 par value 14 14 14 | | | | | |
| Total non-current liabilities 102,325 99,392 Total Liabilities 184,562 176,282 Commitments and contingencies (Note 16) Equity (Note 20) 14 14 Common stock, \$0.01 par value 14 14 | | | | | |
| Total Liabilities 184,562 176,282 Commitments and contingencies (Note 16) Equity (Note 20) Common stock, \$0.01 par value 14 14 | | | | | |
| Commitments and contingencies (Note 16) Equity (Note 20) Common stock, \$0.01 par value 14 14 | | | | | |
| Equity (Note 20) Common stock, \$0.01 par value 14 14 | | | 184,302 | | 1/0,282 |
| Common stock, \$0.01 par value 14 14 | - ' | | | | |
| | | | 4. | | 4.4 |
| Additional paid-in capital 25,563 25,371 | | | | | |
| | Additional paid-in capital | | 25,563 | | 25,371 |

| ^{9/30/2019} Case 2:19-cv-11044-DML-DRG | ECF No. 41-1 File 10 10 10 10 10 10 10 10 10 10 10 10 10 | PageID | 0.2900 | Page | e 90 of |
|---|--|---------|---------|------|---------|
| Retained earnings | 187 | | 22,322 | | 17,627 |
| Accumulated other comprehensive loss | | | (9,039 |) | (8,011) |
| Total stockholders' equity | | <u></u> | 38,860 |) | 35,001 |
| Noncontrolling interests | | | 3,917 | • | 1,199 |
| Total Equity | | <u></u> | 42,777 | | 36,200 |
| Total Liabilities and Equity | | \$ | 227,339 | \$ | 212,482 |

Reference should be made to the notes to consolidated financial statements.

GENERAL MOTORS COMPANY AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF CASH FLOWS (In millions)

| | | Years Ended December 31, | | | | | | |
|--|----|--------------------------|----|---------------------|----|--------|--|--|
| | | 2018 | | 2017 | | 2016 | | |
| Cash flows from operating activities | | | | | | | | |
| Income from continuing operations | \$ | 8,075 | \$ | 330 | \$ | 9,269 | | |
| Depreciation and impairment of Equipment on operating leases, net | | 7,604 | | 6,805 | | 4,804 | | |
| Depreciation, amortization and impairment charges on Property, net | | 6,065 | | 5,456 | | 5,015 | | |
| Foreign currency remeasurement and transaction losses | | 168 | | 52 | | 229 | | |
| Undistributed earnings of nonconsolidated affiliates, net | | (141) | | (132) | | (1: | | |
| Pension contributions and OPEB payments | | (2,069) | | (1,636) | | (3,45 | | |
| Pension and OPEB income, net | | (1,280) | | (934) | | (76) | | |
| Provision (benefit) for deferred taxes | | (112) | | 10,880 | | 2,22 | | |
| Change in other operating assets and liabilities (Note 26) Other operating activities | | (1,376) | | (3,015) | | 580 | | |
| | | (1,678) | | (468) | | (89 | | |
| Net cash provided by operating activities – continuing operations | | 15,256 | | 17,338 | | 16,99 | | |
| Net cash used in operating activities – discontinued operations | | | | (10) | | (38 | | |
| Net cash provided by operating activities | | 15,256 | | 17,328 | | 16,60 | | |
| Cash flows from investing activities | | | | | | | | |
| Expenditures for property | | (8,761) | | (8,453) | | (8,38 | | |
| Available-for-sale marketable securities, acquisitions | | (2,820) | | (5,503) | | (15,18 | | |
| Trading marketable securities, acquisitions | | _ | | _ | | (26 | | |
| Available-for-sale marketable securities, liquidations | | 5,108 | | 9,007 | | 10,87 | | |
| Trading marketable securities, liquidations | | _ | | _ | | 87 | | |
| Acquisition of companies/investments, net of cash acquired | | (83) | | (41) | | (80 | | |
| Purchases of finance receivables, net | | (25,671) | | (19,325) | | (14,37 | | |
| Principal collections and recoveries on finance receivables | | 17,048 | | 12,578 | | 9,89 | | |
| Purchases of leased vehicles, net | | (16,736) | | (19,180) | | (19,49 | | |
| Proceeds from termination of leased vehicles | | 10,864 | | 6,667 | | 2,55 | | |
| Other investing activities | | 122 | | 178 | | 16 | | |
| Net cash used in investing activities – continuing operations | - | (20,929) | | (24,072) | | (34,14 | | |
| Net cash provided by (used in) investing activities – discontinued operations (Note 22) | | 166 | | (3,500) | | (1,49 | | |
| Net cash used in investing activities | | (20,763) | | (27,572) | | (35,64 | | |
| Cash flows from financing activities | | (-,) | | (',- ') | | (,- | | |
| Net increase (decrease) in short-term debt | | 1,186 | | (140) | | (20 | | |
| Proceeds from issuance of debt (original maturities greater than three months) | | • | | (140) | | (28 | | |
| Payments on debt (original maturities greater than three months) | | 43,801 | | 52,187 | | 42,03 | | |
| Payments to purchase common stock | | (33,323) (190) | | (33,592) (4,492) | | (20,72 | | |
| Proceeds from issuance of subsidiary preferred and common stock (Note 20) | | 2,862 | | | | (2,50 | | |
| Dividends paid | | (2,242) | | 985 | | (2,36 | | |
| Other financing activities | | (640) | | (2,233) (305) | | (16 | | |
| Net cash provided by financing activities – continuing operations | | 11,454 | | | | | | |
| Net cash provided by financing activities – discontinued operations | | 11,454 | | 12,410 | | 15,99 | | |
| | | | | 174 | | 1,08 | | |
| Net cash provided by financing activities | | 11,454 | | 12,584 | | 17,07 | | |
| Effect of exchange rate changes on cash, cash equivalents and restricted cash | | (299) | | 348 | | (21 | | |
| Net increase (decrease) in cash, cash equivalents and restricted cash | | 5,648 | | 2,688 | | (2,17 | | |
| Cash, cash equivalents and restricted cash at beginning of period | | 17,848 | | 15,160 | | 17,33 | | |
| Cash, cash equivalents and restricted cash at end of period | \$ | 23,496 | \$ | 17,848 | \$ | 15,16 | | |
| Cash, cash equivalents and restricted cash – continuing operations at end of period (Note 4) | \$ | 23,496 | \$ | 17,848 | \$ | 14,48 | | |
| Cash, cash equivalents and restricted cash – discontinued operations at end of period | \$ | _ | \$ | _ | \$ | 67 | | |
| Significant Non-cash Investing and Financing Activity | | | | | | | | |
| Non-cash property additions – continuing operations | \$ | 3,813 | \$ | 3,996 | \$ | 3,89 | | |
| | | | | | | | | |

Non-cash business acquisition – continuing operations 187 \$ — \$

Non-cash proceeds on sale of discontinued operations (Note 22) \$ — \$ 808 \$

Reference should be made to the notes to consolidated financial statements.

GENERAL MOTORS COMPANY AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF EQUITY (In millions)

| | Common Stockholders' | | | | | | | | |
|---|----------------------|-----|----------------------------------|----------------------|---|-----------------------------|----|--------------|--|
| | Common Stock | | Additional Paid-in Capital | Retained Earnings | Accumulated Other Comprehensive Loss | Noncontrolling Interests | Т | Total Equity | |
| Balance at January 1, 2016 | \$ | 15 | \$ 27,607 | \$ 20,285 | \$ (8,036) | \$ 452 | \$ | 40,323 | |
| Net income | | _ | _ | 9,427 | _ | (159) | | 9,268 | |
| Other comprehensive loss | | _ | _ | _ | (1,294) | (59) | | (1,353) | |
| Issuance of common stock | | _ | 290 | _ | | _ | | 290 | |
| Purchase of common stock | | _ | (1,320) | (1,180) | _ | _ | | (2,500) | |
| Exercise of common stock warrants | | _ | 89 | _ | _ | _ | | 89 | |
| Stock based compensation | | _ | 317 | (27) | _ | _ | | 290 | |
| Cash dividends paid on common stock | | _ | _ | (2,337) | _ | _ | | (2,337) | |
| Dividends to noncontrolling interests | | _ | _ | _ | _ | (31) | | (31) | |
| Other | | _ | _ | _ | _ | 36 | | 36 | |
| Balance at December 31, 2016 | | 15 | 26,983 | 26,168 | (9,330) | 239 | | 44,075 | |
| Net loss | | _ | _ | (3,864) | _ | (18) | | (3,882) | |
| Other comprehensive income | | _ | _ | _ | 1,319 | (2) | | 1,317 | |
| Purchase of common stock | | (1) | (2,063) | (2,428) | _ | _ | | (4,492) | |
| Exercise of common stock warrants | | _ | 43 | _ | _ | _ | | 43 | |
| Issuance of subsidiary preferred stock (Note 20) | | _ | _ | _ | _ | 985 | | 985 | |
| Stock based compensation | | _ | 468 | (34) | _ | _ | | 434 | |
| Cash dividends paid on common stock | | _ | _ | (2,215) | _ | _ | | (2,215) | |
| Dividends to noncontrolling interests | | _ | _ | _ | _ | (18) | | (18) | |
| Other | | _ | (60) | _ | _ | 13 | | (47) | |
| Balance at December 31, 2017 | | 14 | 25,371 | 17,627 | (8,011) | 1,199 | | 36,200 | |
| Adoption of accounting standards (Note 2) | | _ | _ | (1,046) | (98) | _ | | (1,144) | |
| Net income | | _ | _ | 8,014 | _ | (9) | | 8,005 | |
| Other comprehensive loss | | _ | _ | _ | (930) | (6) | | (936) | |
| Purchase of common stock | | _ | (91) | (99) | _ | _ | | (190) | |
| Issuance of subsidiary preferred and common stock (Note 20) | | _ | _ | _ | _ | 2,862 | | 2,862 | |
| Stock based compensation | | _ | 287 | _ | _ | _ | | 287 | |
| Cash dividends paid on common stock | | _ | _ | (2,144) | _ | _ | | (2,144) | |
| Dividends to noncontrolling interests | | _ | _ | _ | _ | (169) | | (169) | |
| Other | | _ | (4) | (30) | _ | 40 | | 6 | |
| Balance at December 31, 2018 | \$ | 14 | \$ 25,563 | \$ 22,322 | \$ (9,039) | \$ 3,917 | \$ | 42,777 | |

Reference should be made to the notes to consolidated financial statements.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Nature of Operations and Basis of Presentation

General Motors Company was incorporated as a Delaware corporation in 2009. We design, build and sell trucks, crossovers, cars and automobile parts worldwide and are investing in and growing an autonomous ride-sharing vehicle business. We also provide automotive financing services through GM Financial. We analyze the results of our continuing operations through the following segments: GMNA, GMI, GM Cruise and GM Financial. GM Cruise is our global segment responsible for the development and commercialization of autonomous vehicle technology. As a result of the growing importance of our autonomous vehicle operations, we moved these operations from Corporate to GM Cruise and began presenting GM Cruise as a new reportable segment in 2018. All periods presented have been recast to reflect the segment changes. Nonsegment operations and Maven, our ride- and car-sharing business, are classified as Corporate. Corporate includes certain centrally recorded income and costs such as interest, income taxes, corporate expenditures and certain nonsegment specific revenues and expenses.

On July 31, 2017 we closed the sale of the Opel/Vauxhall Business to PSA Group. On October 31, 2017 we closed the sale of the Fincos to Banque PSA Finance S.A. and BNP Paribas Personal Finance S.A. The European Business is presented as discontinued operations in our consolidated financial statements for all periods presented. Unless otherwise indicated, information in this report relates to our continuing operations. Refer to Note 22 for additional information on our discontinued operations.

In 2018 we changed the presentation of our consolidated statements of cash flows to separately classify Depreciation and impairment of Equipment on operating leases, net and Depreciation, amortization and impairment charges on Property, net. We have made corresponding reclassifications to the comparable information for all periods presented.

Principles of Consolidation The consolidated financial statements are prepared in conformity with U.S. GAAP. All intercompany balances and transactions have been eliminated in consolidation. Except for per share amounts or as otherwise specified, amounts presented within tables are stated in millions.

We consolidate entities that we control due to ownership of a majority voting interest and we consolidate variable interest entities (VIEs) when we are the primary beneficiary. Our share of earnings or losses of nonconsolidated affiliates is included in our consolidated operating results using the equity method of accounting when we are able to exercise significant influence over the operating and financial decisions of the affiliate. Beginning January 1, 2018 we no longer use the cost method of accounting due to the adoption of ASU 2016-01, "Recognition and Measurement of Financial Assets and Financial Liabilities" (ASU 2016-01). Refer to Note 2 for additional information on recently adopted accounting standards.

Use of Estimates in the Preparation of the Financial Statements Accounting estimates are an integral part of the consolidated financial statements. These estimates require the use of judgments and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses in the periods presented. We believe that the accounting estimates employed are appropriate and the resulting balances are reasonable; however, due to the inherent uncertainties in making estimates, actual results could differ from the original estimates, requiring adjustments to these balances in future periods.

GM Financial The amounts presented for GM Financial have been adjusted to include the effect of our tax attributes on GM Financial's deferred tax positions and provision for income taxes, which are not applicable to GM Financial on a stand-alone basis, and to eliminate the effect of transactions between GM Financial and the other members of the consolidated group. Accordingly, the amounts presented will differ from those presented by GM Financial on a stand-alone basis.

Note 2. Significant Accounting Policies

The accounting policies that follow are utilized by our automotive, automotive financing and GM Cruise operations, unless otherwise indicated. The information presented on Revenue Recognition, Equipment on Operating Leases, Marketable Debt Securities, Equity Investments and Derivative Financial Instruments reflects our recently adopted accounting standards on January 1, 2018.

Revenue Recognition We adopted ASU 2014-09 on January 1, 2018, which requires us to recognize revenue when a customer obtains control rather than when we have transferred substantially all risks and rewards of a good or service. We adopted ASU 2014-09 by applying the modified retrospective method to all noncompleted contracts as of the date of adoption. See the Recently Adopted Accounting Standards section for additional information pertaining to the adoption of ASU 2014-09. The comparative information has

not been restated and continues to be reported under the accounting standards in effect for those periods. The following accounting policies became effective upon the adoption of ASU 2014-09:

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

Automotive Automotive net sales and revenue represents the amount of consideration to which we expect to be entitled in exchange for vehicle, parts and accessories and services and other sales. The consideration recognized represents the amount received, typically shortly after the sale to a customer, net of estimated dealer and customer sales incentives we reasonably expect to pay. Significant factors in determining our estimates of incentives include forecasted sales volume, product mix, and the rate of customer acceptance of incentive programs, all of which are estimated based on historical experience and assumptions concerning future customer behavior and market conditions. Subsequent adjustments to incentive estimates are possible as facts and circumstances change over time. A portion of the consideration received is deferred for separate performance obligations, such as maintenance and vehicle connectivity, that will be provided to our customers at a future date. Taxes assessed by various government entities, such as sales, use and value-added taxes, collected at the time of the vehicle sale are excluded from Automotive net sales and revenue. Costs for shipping and handling activities that occur after control of the vehicle transfers to the dealer are recognized at the time of sale and presented in Automotive and other cost of sales.

Vehicle, Parts and Accessories For the majority of vehicle and accessories sales our customers obtain control and we recognize revenue when the vehicle transfers to the dealer, which generally occurs when the vehicle is released to the carrier responsible for transporting it to a dealer. Revenue, net of estimated returns, is recognized on the sale of parts upon delivery to the customer. When our customers have a right to return eligible parts and accessories, we consider the returns in our estimation of the transaction price.

Certain transfers to daily rental companies are accounted for as sales, with revenue recognized at the time of transfer. Such transactions were previously accounted for as operating leases. At the time of transfer, we defer revenue for remarketing obligations, record a residual value guarantee and reflect a deposit liability for amounts expected to be returned once the remarketing services are complete. Deferred revenue is recognized in earnings upon completion of the remarketing service. Transfers that occurred prior to January 1, 2018 and future transfers containing a substantive repurchase obligation continue to be accounted for as operating leases and rental income is recognized over the estimated term of the lease. Our total exposure to vehicle repurchase obligations would be reduced to the extent vehicles are able to be resold to a third party.

Used Vehicles Proceeds from the auction of vehicles returned from daily rental car companies and vehicles utilized by our employees are recognized in Automotive net sales and revenue upon transfer of control of the vehicle to the customer and the related vehicle carrying value is recognized in Automotive and other cost of sales.

Services and Other Services and other revenue primarily consists of revenue from vehicle-related service arrangements and after-sale services such as maintenance, vehicle connectivity and extended service warranties. For those service arrangements that are bundled with a vehicle sale, a portion of the revenue from the sale is allocated to the service component and recognized as deferred revenue within Accrued liabilities or Other liabilities. We recognize revenue for bundled services and services sold separately as services are performed, typically over a period of less than three years.

Automotive Financing - GM Financial Finance charge income earned on receivables is recognized using the effective interest method. Fees and commissions (including incentive payments) received and direct costs of originating loans are deferred and amortized over the term of the related finance receivables using the effective interest method and are removed from the consolidated balance sheets when the related finance receivables are fully charged off or paid in full. Accrual of finance charge income on retail finance receivables is generally suspended on accounts that are more than 60 days delinquent, accounts in bankruptcy and accounts in repossession. Payments received on nonaccrual loans are first applied to any fees due, then to any interest due and then any remaining amounts are applied to principal. Interest accrual generally resumes once an account has received payments bringing the delinquency to less than 60 days past due. Accrual of finance charge income on commercial finance receivables is generally suspended on accounts that are more than 90 days delinquent, upon receipt of a bankruptcy notice from a borrower, or where reasonable doubt exists about the full collectability of contractually agreed upon principal and interest. Payments received on nonaccrual loans are first applied to principal. Interest accrual resumes once an account has received payments bringing the account fully current and collection of contractual principal and interest is reasonably assured (including amounts previously charged off).

Income from operating lease assets, which includes lease origination fees, net of lease origination costs and incentives, is recorded as operating lease revenue on a straight-line basis over the term of the lease agreement.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

Advertising and Promotion Expenditures Advertising and promotion expenditures, which are expensed as incurred in Automotive and other selling, general and administrative expense, were \$4.0 billion, \$4.3 billion and \$4.6 billion in the years ended December 31, 2018, 2017 and 2016.

Research and Development Expenditures Research and development expenditures, which are expensed as incurred in Automotive and other cost of sales, were \$7.8 billion, \$7.3 billion and \$6.6 billion in the years ended December 31, 2018, 2017 and 2016. We enter into cost sharing arrangements with third parties or nonconsolidated affiliates for product-related research, engineering, design and development activities. Cost sharing payments and fees related to these arrangements are presented in Automotive and other cost of sales.

Cash Equivalents and Restricted Cash Cash equivalents are defined as short-term, highly-liquid investments with original maturities of 90 days or less. We are required to post cash as collateral as part of certain agreements that we enter into as part of our operations. Cash and cash equivalents subject to contractual restrictions and not readily available are classified as restricted cash. Restricted cash is invested in accordance with the terms of the underlying agreements and include amounts related to various deposits, escrows and other cash collateral. Restricted cash is included in Other current assets and Other assets in the consolidated balance sheets.

Fair Value Measurements A three-level valuation hierarchy, based upon observable and unobservable inputs, is used for fair value measurements. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions based on the best evidence available. These two types of inputs create the following fair value hierarchy: Level 1 – Quoted prices for identical instruments in active markets; Level 2 – Quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active and model-derived valuations whose significant inputs are observable; and Level 3 – Instruments whose significant inputs are unobservable.

Marketable Debt Securities We classify marketable debt securities as either available-for-sale or trading. Various factors, including turnover of holdings and investment guidelines, are considered in determining the classification of securities. Available-for-sale debt securities are recorded at fair value with unrealized gains and losses recorded net of related income taxes in Accumulated other comprehensive loss until realized. Trading debt securities are recorded at fair value with changes in fair value recorded in Interest income and other non-operating income, net. We determine realized gains and losses for all debt securities using the specific identification method.

We measure the fair value of our marketable debt securities using a market approach where identical or comparable prices are available and an income approach in other cases. If quoted market prices are not available, fair values of securities are determined using prices from a pricing service, pricing models, quoted prices of securities with similar characteristics or discounted cash flow models. These prices represent non-binding quotes. Our pricing service utilizes industry-standard pricing models that consider various inputs. We conduct an annual review of our pricing service and believe the prices received from our pricing service are a reliable representation of exit prices.

An evaluation is made quarterly to determine if unrealized losses related to non-trading investments in debt securities are other-thantemporary. Factors considered include the length of time and extent to which the fair value has been below cost, the financial condition and near-term prospects of the issuer and the intent to sell or likelihood to be forced to sell the debt security before any anticipated recovery.

Accounts and Notes Receivable Accounts and notes receivable primarily consists of amounts that are due and payable from our customers for the sale of vehicles, parts, and accessories. We evaluate the collectability of receivables each reporting period and record an allowance for doubtful accounts representing our estimate of probable losses. Additions to the allowance are charged to bad debt expense reported in Automotive and other selling, general and administrative expense and were insignificant in the years ended December 31, 2018, 2017 and 2016.

GM Financial Receivables Finance receivables are carried at amortized cost, net of allowance for loan losses. GM Financial uses forecasting models to determine the collective allowance for loan losses based on factors including historical delinquency migration to loss, probability of default and loss given default. The loss confirmation period is a key assumption within the models and represents the average amount of time from when a loss event first occurs to when the receivable is charged off. GM Financial also considers an evaluation of overall portfolio credit quality based on various indicators.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

Retail finance receivables that become classified as troubled debt restructurings (TDRs) are separately assessed for impairment. A specific allowance is estimated based on the present value of the expected future cash flows of the receivables discounted at the original weighted average effective interest rate. Finance charge income from loans classified as TDRs is accounted for in the same manner as other accruing loans. Cash collections on these loans are allocated according to the same payment hierarchy methodology applied to loans that are not classified as TDRs.

Retail finance receivables are generally charged off in the month in which the account becomes 120 days contractually delinquent if GM Financial has not yet recorded a repossession charge-off. A repossession charge-off generally represents the difference between the estimated net sales proceeds and the unpaid balance of the contract, including accrued interest.

Inventories Inventories are stated at the lower of cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less cost to sell, and considers general market and economic conditions, periodic reviews of current profitability of vehicles, product warranty costs and the effect of estimated sales incentives. Net realizable value for off-lease and other vehicles is current auction sales proceeds less disposal and warranty costs. Productive material, supplies, work in process and service parts are reviewed to determine if inventory quantities are in excess of forecasted usage or if they have become obsolete.

Equipment on Operating Leases Equipment on operating leases, net consists of vehicle leases to retail customers with lease terms of two to five years and vehicle sales to rental car companies that are expected to be repurchased in an average of seven months. We are exposed to changes in the residual values of these assets. The residual values represent estimates of the values of the leased vehicles at the end of the lease contracts and are determined based on forecasted auction proceeds when there is a reliable basis to make such a determination. Realization of the residual values is dependent on the future ability to market the vehicles under prevailing market conditions. The estimate of the residual value is evaluated over the life of the arrangement and adjustments may be made to the extent the expected value of the vehicle changes. Adjustments may be in the form of revisions to the depreciation rate or recognition of an impairment charge. A lease vehicle asset group is determined to be impaired if an impairment indicator exists and the expected future cash flows, which include estimated residual values, are lower than the carrying amount of the vehicle asset group. If the carrying amount is considered impaired an impairment charge is recorded for the amount by which the carrying amount exceeds fair value of the vehicle asset group. Fair value is determined primarily using the anticipated cash flows, including estimated residual values. In our automotive operations when a vehicle that is accounted for as a lease is returned the asset is reclassified from Equipment on operating leases, net to Inventories at the lower of cost or estimated selling price, less costs to sell. Upon disposition, proceeds are recorded in Automotive net sales and revenue and costs are recorded in Automotive and other cost of sales. In our automotive finance operations when a leased vehicle is returned or repossessed the asset is recorded in Other assets at the lower of amortized cost or estimated selling price, less costs to sell. Upon disposition a gain or loss is recorded in GM Financial interest, operating and other expenses for any difference between the net book value of the leased asset and the proceeds from the disposition of the asset.

Equity Investments When events and circumstances warrant, equity investments accounted for under the equity method of accounting are evaluated for impairment. An impairment charge is recorded whenever a decline in value of an equity investment below its carrying amount is determined to be other-than-temporary. Impairment charges related to equity method investments are recorded in Equity income. Equity investments that are not accounted for under the equity method of accounting are measured at fair value with changes in fair value recorded in Interest income and other non-operating income, net.

Property, net Property, plant and equipment, including internal use software, is recorded at cost. Major improvements that extend the useful life or add functionality are capitalized. The gross amount of assets under capital leases is included in property, plant and equipment. Expenditures for repairs and maintenance are charged to expense as incurred. We depreciate depreciable property using the straight-line method. Leasehold improvements are amortized over the period of lease or the life of the asset, whichever is shorter. The amortization of the assets under capital leases is included in depreciation expense. Upon retirement or disposition of property, plant and equipment, the cost and related accumulated depreciation are eliminated and any resulting gain or loss is recorded in earnings. Impairment charges related to property are recorded in Automotive and other cost of sales, Automotive and other selling, general and administrative expense or GM Financial interest, operating and other expenses.

Special Tools Special tools represent product-specific propulsion and non-propulsion related tools, dies, molds and other items used in the vehicle manufacturing process. Expenditures for special tools are recorded at cost and are capitalized. We amortize special tools over their estimated useful lives using the straight-line method or an accelerated amortization method based on their historical and estimated production volume. Impairment charges related to special tools are recorded in Automotive and other cost of sales.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

Goodwill Goodwill is not amortized but rather tested for impairment annually on October 1 or when events occur or circumstances change that would trigger such a review. The impairment test entails an assessment of qualitative factors to determine whether it is more likely than not that an impairment exists. If it is more likely than not that an impairment exists, then a quantitative impairment test is performed. Impairment exists when the carrying amount of a reporting unit exceeds its fair value.

Intangible Assets, net Intangible assets, excluding goodwill, primarily include brand names, technology and intellectual property, customer relationships and dealer networks. Intangible assets are amortized on a straight-line or an accelerated method of amortization over their estimated useful lives. An accelerated amortization method reflecting the pattern in which the asset will be consumed is utilized if that pattern can be reliably determined. We consider the period of expected cash flows and underlying data used to measure the fair value of the intangible assets when selecting a useful life. Amortization of developed technology and intellectual property is recorded in Automotive and other cost of sales. Amortization of brand names, customer relationships and our dealer networks is recorded in Automotive and other selling, general and administrative expense or GM Financial interest, operating and other expenses. Impairment charges, if any, related to intangible assets are recorded in Automotive and other selling, general and administrative expense or Automotive and other cost of sales.

Valuation of Long-Lived Assets The carrying amount of long-lived assets and finite-lived intangible assets to be held and used in the business is evaluated for impairment when events and circumstances warrant. If the carrying amount of a long-lived asset group is considered impaired, a loss is recorded based on the amount by which the carrying amount exceeds fair value. Product-specific long-lived asset groups and non-product specific long-lived assets are separately tested for impairment on an asset group basis. Fair value is determined using either the market or sales comparison approach, cost approach or anticipated cash flows discounted at a rate commensurate with the risk involved. Long-lived assets to be disposed of other than by sale are considered held for use until disposition.

Pension and OPEB Plans

Attribution, Methods and Assumptions The cost of benefits provided by defined benefit pension plans is recorded in the period employees provide service. The cost of pension plan amendments that provide for benefits already earned by plan participants is amortized over the expected period of benefit which may be the duration of the applicable collective bargaining agreement specific to the plan, the expected future working lifetime or the life expectancy of the plan participants.

The cost of medical, dental, legal service and life insurance benefits provided through postretirement benefit plans is recorded in the period employees provide service. The cost of postretirement plan amendments that provide for benefits already earned by plan participants is amortized over the expected period of benefit which may be the average period to full eligibility or the average life expectancy of the plan participants.

An expected return on plan asset methodology is utilized to calculate future pension expense for certain significant funded benefit plans. A market-related value of plan assets methodology is also utilized that averages gains and losses on the plan assets over a period of years to determine future pension expense. The methodology recognizes 60% of the difference between the fair value of assets and the expected calculated value in the first year and 10% of that difference over each of the next four years.

The discount rate assumption is established for each of the retirement-related benefit plans at their respective measurement dates. In the U.S. we use a cash flow matching approach that uses projected cash flows matched to spot rates along a high quality corporate bond yield curve to determine the present value of cash flows to calculate a single equivalent discount rate. We apply individual annual yield curve rates to determine the service cost and interest cost for our pension and OPEB plans to more specifically link the cash flows related to service cost and interest cost to bonds maturing in their year of payment.

The benefit obligation for pension plans in Canada, the U.K. and Germany represents 92% of the non-U.S. pension benefit obligation at December 31, 2018. The discount rates for plans in Canada, the U.K. and Germany are determined using a cash flow matching approach similar to the U.S.

Plan Asset Valuation Due to the lack of timely available market information for certain investments in the asset classes described below as well as the inherent uncertainty of valuation, reported fair values may differ from fair values that would have been used had timely available market information been available.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

Common and Preferred Stock Common and preferred stock for which market prices are readily available at the measurement date are valued at the last reported sale price or official closing price on the primary market or exchange on which they are actively traded and are classified in Level 1. Such equity securities for which the market is not considered to be active are valued via the use of observable inputs, which may include the use of adjusted market prices last available, bids or last available sales prices and/or other observable inputs and are classified in Level 2. Common and preferred stock classified in Level 3 are privately issued securities or other issues that are valued via the use of valuation models using significant unobservable inputs that generally consider aged (stale) pricing, earnings multiples, discounted cash flows and/or other qualitative and quantitative factors.

Debt Securities Valuations for debt securities are based on quotations received from independent pricing services or from dealers who make markets in such securities. Debt securities priced via pricing services that utilize matrix pricing which considers readily observable inputs such as the yield or price of bonds of comparable quality, coupon, maturity and type as well as dealer supplied prices, are classified in Level 2. Debt securities that are typically priced by dealers and pricing services via the use of proprietary pricing models which incorporate significant unobservable inputs are classified in Level 3. These inputs primarily consist of yield and credit spread assumptions, discount rates, prepayment curves, default assumptions and recovery rates.

Investment Funds, Private Equity and Debt Investments and Real Estate Investments Investment funds, private equity and debt investments and real estate investments are valued based on the Net Asset Value (NAV) per Share (or its equivalent) as a practical expedient to estimate fair value due to the absence of readily available market prices.

NAV's are provided by the respective investment sponsors or investment advisers and are subsequently reviewed and approved by management. In the event management concludes a reported NAV does not reflect fair value or is not determined as of the financial reporting measurement date, we will consider whether and when deemed necessary to make an adjustment at the balance sheet date. In determining whether an adjustment to the external valuation is required, we will review material factors that could affect the valuation, such as changes in the composition or performance of the underlying investments or comparable investments, overall market conditions, expected sale prices for private investments which are probable of being sold in the short-term and other economic factors that may possibly have a favorable or unfavorable effect on the reported external valuation.

Stock Incentive Plans Our stock incentive plans include RSUs, RSAs, PSUs, stock options and awards that may be settled in our stock, the stock of our subsidiaries or in cash. We measure and record compensation expense based on the fair value of GM or GM Cruise's common stock on the date of grant for RSUs, RSAs and PSUs and the grant date fair value, determined utilizing a lattice model or the Black-Scholes formula, for stock options and PSUs. RSUs granted in stock of GM Cruise vest upon satisfaction of both a service condition and a liquidity condition, defined as a change in control transaction or the consummation of an initial public offering. Compensation cost for awards that do not have an established accounting grant date, but for which the service inception date has been established, or are settled in cash is based on the fair value of GM or GM Cruise's common stock at the end of each reporting period. We record compensation cost for service-based RSUs, RSAs, PSUs and service-based stock options on a straight-line basis over the entire vesting period, or for retirement eligible employees over the requisite service period. Compensation costs for RSUs granted in stock of GM Cruise are recorded when the liquidity condition described above is met. We use the graded vesting method to record compensation cost for stock options with market conditions over the lesser of the vesting period or the time period an employee becomes eligible to retain the award at retirement.

Product Warranty and Recall Campaigns The estimated costs related to product warranties are accrued at the time products are sold and are charged to Automotive and other cost of sales. These estimates are established using historical information on the nature, frequency and average cost of claims of each vehicle line or each model year of the vehicle line and assumptions about future activity and events. Revisions are made when necessary and are based on changes in these factors.

The estimated costs related to recall campaigns are accrued when probable and estimable, which is generally at the time of vehicle sale. In GMNA, we estimate the costs related to recall campaigns by applying a frequency times severity approach that considers the number of historical recall campaigns, the number of vehicles per recall campaign, the estimated number of vehicles to be repaired and the cost per vehicle for each recall campaign. The estimated costs associated with recall campaigns in other geographical regions are determined using the estimated costs of repairs and the estimated number of vehicles to be repaired. Costs associated with recall campaigns are charged to Automotive and other cost of sales. Revisions are made when necessary based on changes in these factors.

Income Taxes The liability method is used in accounting for income taxes. Deferred tax assets and liabilities are recorded for temporary differences between the tax basis of assets and liabilities and their reported amounts in the consolidated financial statements

using the statutory tax rates in effect for the year in which the differences are expected to reverse. The effect on deferred

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

tax assets and liabilities of a change in tax laws or rates is recorded in the results of operations in the period that includes the enactment date under the law.

Deferred income tax assets are evaluated quarterly to determine if valuation allowances are required or should be adjusted. We establish valuation allowances for deferred tax assets based on a more likely than not standard. The ability to realize deferred tax assets depends on the ability to generate sufficient taxable income within the carryback or carryforward periods provided for in the tax law for each applicable tax jurisdiction. The assessment regarding whether a valuation allowance is required or should be adjusted also considers all available positive and negative evidence factors. It is difficult to conclude a valuation allowance is not required when there is significant objective and verifiable negative evidence, such as cumulative losses in recent years. We utilize a rolling three years of actual and current year results as the primary measure of cumulative losses in recent years.

Income tax expense (benefit) for the year is allocated between continuing operations and other categories of income such as Other comprehensive income (loss). In periods in which there is a pre-tax loss from continuing operations and pre-tax income in another income category, the tax benefit allocated to continuing operations is determined by taking into account the pre-tax income of other categories.

We record uncertain tax positions on the basis of a two-step process whereby we determine whether it is more likely than not that the tax positions will be sustained based on the technical merits of the position, and for those tax positions that meet the more likely than not criteria, we recognize the largest amount of tax benefit that is greater than 50% likely to be realized upon ultimate settlement with the related tax authority. We record interest and penalties on uncertain tax positions in Income tax expense (benefit).

Foreign Currency Transactions and Translation The assets and liabilities of foreign subsidiaries that use the local currency as their functional currency are translated to U.S. Dollars based on the current exchange rate prevailing at each balance sheet date and any resulting translation adjustments are included in Accumulated other comprehensive loss. The assets and liabilities of foreign subsidiaries whose local currency is not their functional currency are remeasured from their local currency to their functional currency and then translated to U.S. Dollars. Revenues and expenses are translated into U.S. Dollars using the average exchange rates prevailing for each period presented. The financial statements of any foreign subsidiary that has been identified as having a highly inflationary economy are remeasured as if the functional currency were the U.S. Dollar.

Gains and losses arising from foreign currency transactions and the effects of remeasurements discussed in the preceding paragraph are recorded in Automotive and other cost of sales and GM Financial interest, operating and other expenses unless related to Automotive debt, which are recorded in Interest income and other non-operating income, net. Foreign currency transaction and remeasurement losses were \$168 million, \$52 million and \$229 million in the years ended December 31, 2018, 2017 and 2016.

Derivative Financial Instruments Derivative financial instruments are recognized as either assets or liabilities at fair value. The accounting for changes in the fair value of each derivative financial instrument depends on whether it has been designated and qualifies as an accounting hedge, as well as the type of hedging relationship identified. Derivative instruments are not used for trading or speculative purposes.

Automotive We utilize options, swaps and forward contracts to manage foreign currency, commodity price and interest rate risks. The change in fair value of option and forward contracts not designated as hedges is recorded in Interest income and other non-operating income, net. Cash flows for all derivative financial instruments are classified in cash flows from operating activities.

Certain foreign currency and commodity forward contracts have been designated as cash flow hedges. The risk being hedged is the foreign currency and commodity price risk related to forecasted transactions. If the contract has been designated as a cash flow hedge, the change in the fair value of the cash flow hedge is deferred in Accumulated other comprehensive loss and is recognized in Automotive and other cost of sales along with the earnings effect of the hedged item when the hedged item affects earnings.

We estimate the fair value of the PSA warrants using a Black-Scholes formula. The significant inputs to the model include the PSA stock price and the estimated dividend yield. We are entitled to receive any dividends declared by PSA through the conversion date upon exercise of the warrants. Gains or losses as a result of the change in the fair value of the PSA warrants are recorded in Interest income and other non-operating income, net.

Automotive Financing - GM Financial GM Financial utilizes Laterest rate derivative instruments to manage interest rate risk and foreign currency derivative instruments to manage foreign currency risk. The change in fair value of the derivative instruments

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

not designated as hedges is recorded in GM Financial interest, operating and other expenses. Cash flows for all derivative financial instruments are classified in cash flows from operating activities.

Certain interest rate and foreign currency swap agreements have been designated as fair value hedges. The risk being hedged is the risk of changes in the fair value of the hedged debt attributable to changes in the benchmark interest rate or the risk of changes in fair value attributable to changes in foreign currency exchange rates. If the swap has been designated as a fair value hedge, the changes in the fair value of the hedged item are recorded in GM Financial interest, operating and other expenses. The change in fair value of the related hedge is also recorded in GM Financial interest, operating and other expenses.

Certain interest rate swap and foreign currency swap agreements have been designated as cash flow hedges. The risk being hedged is the interest rate and foreign currency risk related to forecasted transactions. If the contract has been designated as a cash flow hedge, the change in the fair value of the cash flow hedge is deferred in Accumulated other comprehensive loss and is recognized in GM Financial interest, operating and other expenses along with the earnings effect of the hedged item when the hedged item affects earnings. Changes in the fair value of amounts excluded from the assessment of effectiveness are recorded currently in earnings and are presented in the same income statement line as the earnings effect of the hedged item.

Recently Adopted Accounting Standards Effective January 1, 2018 we adopted ASU 2014-09, as incorporated into Accounting Standards Codification (ASC) 606, on a modified retrospective basis by recognizing a cumulative effect adjustment to the opening balance of Retained earnings. Under ASU 2014-09 sales incentives are recorded at the time of sale rather than at the later of sale or announcement, thereby resulting in the shifting of incentive amounts to an earlier quarter and fixed fee license arrangements are recognized when access to intellectual property is granted instead of over the contract period. The retiming of quarterly incentive amounts mainly offset for the year ended December 31, 2018. Actual incentive spending is dependent upon future market conditions.

Beginning January 1, 2018 certain transfers to daily rental companies are accounted for as sales when ownership of the vehicle is not expected to transfer back to us. Such transactions were previously accounted for as operating leases. Transfers that occurred prior to January 2018 continue to be accounted for as operating leases because at the original time of transfer an expectation existed that ownership of the vehicle would transfer back to us.

The following table summarizes the financial statement line items within our consolidated income statement and balance sheet significantly impacted by ASU 2014-09:

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| | Year Ended December 31, 2018 | | | | | | | | | | |
|---|------------------------------|---------|----|--------------------------------|------------------|-------|--|--|--|--|--|
| | As Reported | | | nces without ion of ASC 606 | Effect of Change | | | | | | |
| Income Statement | | | | | | | | | | | |
| Automotive net sales and revenue | \$ | 133,045 | \$ | 132,101 | \$ | 944 | | | | | |
| Automotive and other cost of sales | \$ | 120,656 | \$ | 119,635 | \$ | 1,021 | | | | | |
| Income before income taxes | \$ | 8,549 | \$ | 8,428 | \$ | 121 | | | | | |
| Net income attributable to stockholders | \$ | 8,014 | \$ | 7,906 | \$ | 108 | | | | | |

| | December 31, 2018 | | | | | | | | | |
|------------------------------------|-----------------------------|--------|----|--------|----|--------------|--|--|--|--|
| | Balanc As Reported Adoption | | | | | ct of Change | | | | |
| Balance Sheet | | | | | | | | | | |
| Equipment on operating leases, net | \$ | 247 | \$ | 1,182 | \$ | (935) | | | | |
| Deferred income taxes | \$ | 24,082 | \$ | 23,652 | \$ | 430 | | | | |
| Accrued liabilities | \$ | 28,049 | \$ | 26,543 | \$ | 1,506 | | | | |
| Other liabilities | \$ | 12,357 | \$ | 12,792 | \$ | (435) | | | | |
| Retained earnings | \$ | 22,322 | \$ | 23,550 | \$ | (1,228) | | | | |

Effective January 1, 2018 we adopted ASU 2016-01, on a month of retrospective basis, with a \$182 million cumulative effect adjustment recorded to the opening balance of Retained earnings to adjust an investment previously carried at cost to its fair value.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

ASU 2016-01 requires equity investments that are not accounted for under the equity method of accounting to be measured at fair value with changes recognized in Net income.

In the three months ended March 31, 2018 we adopted ASU 2017-12, "Derivatives and Hedging (Topic 815), Targeted Improvements to Accounting for Hedging Activities" (ASU 2017-12), on a modified retrospective basis and adopted ASU 2018-02, "Income Statement-Reporting Comprehensive Income (Topic 220): Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income" (ASU 2018-02), on a modified retrospective basis. ASU 2018-02 provides the option to reclassify stranded tax effects related to the Tax Act in accumulated other comprehensive income to retained earnings. The adjustment relates to the change in the U.S. corporate income tax rate. The cumulative effect of the adjustments to the opening balance of Retained earnings for these adopted standards was \$108 million.

The following table summarizes the changes to our consolidated balance sheet for the adoption of ASU 2014-09, ASU 2016-01, ASU 2017-12 and ASU 2018-02:

| | Decei | nber 31, 2017 | A | djustment due to ASU 2014-09 | AS | justment due to U 2016-01, ASU 17-12 and ASU 2018-02 | January 1, 2018 | | |
|--|-------|---------------|----|---------------------------------|----|---|-----------------|---------|--|
| Deferred income taxes | \$ | 23,544 | \$ | 444 | \$ | (63) | \$ | 23,925 | |
| Other assets | \$ | 4,929 | \$ | 195 | \$ | 242 | \$ | 5,366 | |
| GM Financial short-term debt and current portion | n of | | | | | | | | |
| long-term debt | \$ | 24,450 | \$ | _ | \$ | (13) | \$ | 24,437 | |
| Accrued liabilities | \$ | 25,996 | \$ | 2,328 | \$ | | \$ | 28,324 | |
| Other liabilities | \$ | 12,394 | \$ | (235) | \$ | | \$ | 12,159 | |
| Retained earnings | \$ | 17,627 | \$ | (1,336) | \$ | 290 | \$ | 16,581 | |
| Accumulated other comprehensive loss | \$ | (8,011) | \$ | _ | \$ | (98) | \$ | (8,109) | |

Effective January 1, 2018 we adopted ASU 2016-15, "Statement of Cash Flows (Topic 230), Classification of Certain Cash Receipts and Payments" (ASU 2016-15), which clarified guidance on the classification of certain cash receipts and payments in the statement of cash flows. The adoption of ASU 2016-15 did not have a material impact on our consolidated financial statements and prior periods were not restated.

Effective January 1, 2018 we adopted ASU 2017-07, "Compensation - Retirement Benefits (Topic 715), Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost" (ASU 2017-07) on a retrospective basis, which requires that the service cost component of net periodic pension and OPEB (income) expense be presented in the same income statement line item as other employee compensation costs. The remaining components of net periodic pension and OPEB (income) expense are now presented outside operating income. Amounts previously reflected in Operating income were reclassified to Interest income and other non-operating income, net in accordance with the provisions of ASU 2017-07. Refer to Note 15 for amounts that were reclassified.

Accounting Standards Not Yet Adopted In February 2016 the Financial Accounting Standards Board (FASB) issued ASU 2016-02, "Leases" (ASU 2016-02), which requires us as the lessee to recognize most leases on the balance sheet thereby resulting in the recognition of right of use assets and lease obligations for those leases currently classified as operating leases. The accounting for leases where we are the lessor remains largely unchanged. ASU 2016-02 became effective for us on January 1, 2019 and we elected the optional transition method as well as the package of practical expedients upon adoption. While we are still finalizing our adoption procedures, we estimate the primary impact to our consolidated financial position upon adoption will be the recognition, on a discounted basis, of our minimum commitments under noncancelable operating leases on our consolidated balance sheets resulting in the recording of right of use assets and lease obligations for approximately \$1.0 billion.

In June 2016 the FASB issued ASU 2016-13, "Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments" (ASU 2016-13), which requires entities to use a new impairment model based on Current Expected Credit Losses (CECL) rather than incurred losses. We plan to adopt ASU 2016-13 on January 1, 2020 on a modified retrospective basis, which will result in an increase to our allowance for credit losses and a decrease to Retained earnings as of the adoption date. Estimated credit losses under CECL will consider relevant information about past events, current conditions and reasonable and supportable forecasts, resulting in recognition of lifetime expected credit losses upon loan origination. We are currently

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GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

evaluating new processes to calculate credit losses in accordance with ASU 2016-13 that, once completed, will determine the impact on our consolidated financial statements at the date of adoption.

Note 3. Revenue

The following table disaggregates our revenue by major source for revenue generating segments:

| | | | | | | Year I | End | ed December | 31, 2 | 2018 | | | | |
|------------------------------------|------|---------|-----|--------|-----------|--------|---------------------|-------------|-----------------|--------|--------------|-------|-------|---------|
| | GMNA | | GMI | | Corporate | | Total Automotive | | GM Financial | | Eliminations | | Total | |
| Vehicle, parts and accessories | \$ | 107,217 | \$ | 17,980 | \$ | 20 | \$ | 125,217 | \$ | _ | \$ | (62) | \$ | 125,155 |
| Used vehicles | | 3,215 | | 175 | | _ | | 3,390 | | | | (36) | | 3,354 |
| Services and other | | 3,360 | | 993 | | 183 | | 4,536 | | _ | | _ | | 4,536 |
| Automotive net sales and revenue | | 113,792 | | 19,148 | | 203 | | 133,143 | | | | (98) | | 133,045 |
| Leased vehicle income | | _ | | _ | | _ | | _ | | 9,963 | | _ | | 9,963 |
| Finance charge income | | _ | | _ | | _ | | _ | | 3,629 | | (8) | | 3,621 |
| Other income | | _ | | _ | | _ | | _ | | 424 | | (4) | | 420 |
| GM Financial net sales and revenue | | | | | | | | | | 14,016 | | (12) | | 14,004 |
| Net sales and revenue | \$ | 113,792 | \$ | 19,148 | \$ | 203 | \$ | 133,143 | \$ | 14,016 | \$ | (110) | \$ | 147,049 |

Revenue is measured as the amount of consideration we expect to receive in exchange for transferring goods or providing services. Adjustments to sales incentives for previously recognized sales were insignificant during the year ended December 31, 2018.

Contract liabilities in our Automotive segments consist primarily of maintenance, extended warranty and other service contracts. We recognized revenue of \$1.4 billion related to contract liabilities during the year ended December 31, 2018. We expect to recognize revenue of \$1.5 billion, \$509 million and \$626 million in the years ending December 31, 2019, 2020 and thereafter related to contract liabilities as of December 31, 2018.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

Note 4. Marketable and Other Securities

The following table summarizes the fair value of cash equivalents and marketable debt and equity securities which approximates cost:

| | Fair Value Level | Decer | nber 31, 2018 | Decen | nber 31, 2017 |
|--|---------------------|-------|---------------|-------|---------------|
| Cash and cash equivalents | | | | | |
| Cash and time deposits(a) | | \$ | 7,254 | \$ | 6,962 |
| Available-for-sale debt securities | | | | | |
| U.S. government and agencies | 2 | | 4,656 | | 750 |
| Corporate debt | 2 | | 3,791 | | 3,032 |
| Sovereign debt | 2 | | 1,976 | | 1,954 |
| Total available-for-sale debt securities – cash equivalents | | | 10,423 | | 5,736 |
| Money market funds | 1 | | 3,167 | | 2,814 |
| Total cash and cash equivalents(b) | | \$ | 20,844 | \$ | 15,512 |
| Marketable debt securities | | | | | |
| U.S. government and agencies | 2 | \$ | 1,230 | \$ | 3,310 |
| Corporate debt | 2 | | 3,478 | | 3,665 |
| Mortgage and asset-backed | 2 | | 695 | | 635 |
| Sovereign debt | 2 | | 563 | | 703 |
| Total available-for-sale debt securities – marketable securities | | \$ | 5,966 | \$ | 8,313 |
| Restricted cash | | | | | |
| Cash and cash equivalents | | \$ | 260 | \$ | 219 |
| Money market funds | 1 | | 2,392 | | 2,117 |
| Total restricted cash | | \$ | 2,652 | \$ | 2,336 |
| Available-for-sale debt securities included above with contractual maturities(c) | | | | | |
| Due in one year or less | | \$ | 11,288 | | |
| Due between one and five years | | | 4,406 | | |
| Total available-for-sale debt securities with contractual maturities | | \$ | 15,694 | | |

⁽a) Includes \$616 million that is designated exclusively to fund capital expenditures in GM Korea at December 31, 2018. Refer to Note 20 for additional information.

Proceeds from the sale of investments classified as available-for-sale and sold prior to maturity were \$4.3 billion, \$5.6 billion and \$8.5 billion in the years ended December 31, 2018, 2017 and 2016. Net unrealized gains and losses on available-for-sale debt securities were insignificant in the years ended December 31, 2018, 2017 and 2016. Cumulative unrealized gains and losses on available-for-sale debt securities were insignificant at December 31, 2018 and 2017.

Investments in equity securities where market quotations are not available that are accounted for at fair value primarily use Level 3 inputs. We recorded an unrealized gain of \$142 million in Interest income and other non-operating income, net in the year ended December 31, 2018 to adjust an investment in an equity security to a fair value of \$884 million at December 31, 2018.

⁽b) Includes \$2.3 billion in GM Cruise at December 31, 2018. Refer to Note 20 for additional information.

⁽c) Excludes mortgage and asset-backed securities.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the consolidated balance sheets that sum to the total of the same amounts shown in the consolidated statements of cash flows:

| | Decen | Decen | nber 31, 2017 | |
|--|-------|--------|---------------|--------|
| Cash and cash equivalents | \$ | 20,844 | \$ | 15,512 |
| Restricted cash included in Other current assets | | 2,083 | | 1,745 |
| Restricted cash included in Other assets | | 569 | | 591 |
| Total | \$ | 23,496 | \$ | 17,848 |

Note 5. GM Financial Receivables and Transactions

| | December 31, 2018 | | | | | December 31, 2017 | | | | | |
|---|--------------------------|--------|-----|------------|-----------|--------------------------|--------|-----|------------|-----------|--|
| | | Retail | Con | mercial(a) | Total | | Retail | Com | mercial(a) | Total | |
| Finance receivables, collectively evaluated for impairment, net of fees | \$ | 38,220 | \$ | 12,235 | \$ 50,455 | \$ | 30,486 | \$ | 9,935 | \$ 40,421 | |
| Finance receivables, individually evaluated for impairment, net of fees | | 2,348 | | 41 | 2,389 | | 2,228 | | 22 | 2,250 | |
| GM Financial receivables | | 40,568 | | 12,276 | 52,844 | | 32,714 | | 9,957 | 42,671 | |
| Less: allowance for loan losses | | (844) | | (67) | (911) | | (889) | | (53) | (942) | |
| GM Financial receivables, net | \$ | 39,724 | \$ | 12,209 | \$ 51,933 | \$ | 31,825 | \$ | 9,904 | \$ 41,729 | |
| Fair value of GM Financial receivables utilizing Level 2 inputs | | | | | \$ 12,209 | | | | | \$ 9,904 | |
| Fair value of GM Financial receivables utilizing Level 3 inputs | | | | | \$ 39,430 | | | | | \$ 31,831 | |

⁽a) Net of dealer cash management balances of \$922 million and \$536 million at December 31, 2018 and 2017.

| | Years Ended December 31, | | | | | | | |
|--|--------------------------|---------|----|---------|------|---------|--|--|
| | 2018 | | | 2017 | 2016 | | | |
| Allowance for loan losses at beginning of period | \$ | 942 | \$ | 805 | \$ | 749 | | |
| Provision for loan losses | | 642 | | 757 | | 644 | | |
| Charge-offs | | (1,199) | | (1,173) | | (1,137) | | |
| Recoveries | | 536 | | 552 | | 542 | | |
| Effect of foreign currency | | (10) | | 1 | | 7 | | |
| Allowance for loan losses at end of period | \$ | 911 | \$ | 942 | \$ | 805 | | |

The allowance for loan losses on retail and commercial finance receivables included a collective allowance of \$586 million, \$611 million and \$525 million and a specific allowance of \$325 million, \$331 million and \$280 million at December 31, 2018, 2017 and 2016.

Retail Finance Receivables We use proprietary scoring systems in the underwriting process that measure the credit quality of retail finance receivables using several factors, such as credit bureau information, consumer credit risk scores (e.g. FICO score or its equivalent) and contract characteristics. We also consider other factors such as employment history, financial stability and capacity to pay. Subsequent to origination we review the credit quality of retail finance receivables based on customer payment activity. At December 31, 2018 and 2017 25% and 33% of retail finance receivables were from consumers with sub-prime credit scores, which are defined as a FICO score or its equivalent of less than 620 at the time of loan origination.

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We purchase retail finance contracts from automobile dealers who out recourse, and accordingly, the dealer has no liability to GM Financial if the consumer defaults on the contract. Finance receivables are collateralized by vehicle titles and GM Financial has the right to repossess the vehicle in the event the consumer defaults on the payment terms of the contract.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

An account is considered delinquent if a substantial portion of a scheduled payment has not been received by the date the payment was contractually due. The accrual of finance charge income had been suspended on delinquent retail finance receivables with contractual amounts due of \$888 million and \$778 million at December 31, 2018 and 2017. The following table summarizes the contractual amount of delinquent retail finance receivables, which is not significantly different than the recorded investment of the retail finance receivables:

| | | Decemb | per 31, 2018 | | per 31, 2017 | | |
|---|----|--------|---|--------|--------------|---|--|
| | F | Amount | Percent of Contractual Amount Due | Amount | | Percent of Contractual Amount Due | |
| 31-to-60 days delinquent | \$ | 1,349 | 3.3% | \$ | 1,334 | 4.1% | |
| Greater-than-60 days delinquent | | 547 | 1.4% | | 559 | 1.7% | |
| Total finance receivables more than 30 days delinquent | | 1,896 | 4.7% | | 1,893 | 5.8% | |
| In repossession | | 44 | 0.1% | | 27 | % | |
| Total finance receivables more than 30 days delinquent or in repossession | \$ | 1,940 | 4.8% | \$ | 1,920 | 5.8% | |

Retail finance receivables classified as TDRs and individually evaluated for impairment were \$2.3 billion and \$2.2 billion and the allowance for loan losses included \$321 million and \$328 million of specific allowances on these receivables at December 31, 2018 and 2017.

Commercial Finance Receivables Our commercial finance receivables consist of dealer financings, primarily for inventory purchases. Proprietary models are used to assign a risk rating to each dealer. We perform periodic credit reviews of each dealership and adjust the dealership's risk rating, if necessary. Dealers in Group VI are subject to additional restrictions on funding, including suspension of lines of credit and liquidation of assets. The commercial finance receivables on non-accrual status were insignificant at December 31, 2018 and 2017. The following table summarizes the credit risk profile by dealer risk rating of the commercial finance receivables:

| | | Decen | nber 31, 2018 | Decem | ber 31, 2017 |
|-----------|--|-------|---------------|-------|--------------|
| Group I | - Dealers with superior financial metrics | \$ | 2,192 | \$ | 1,915 |
| Group II | - Dealers with strong financial metrics | | 4,399 | | 3,465 |
| Group III | - Dealers with fair financial metrics | | 4,064 | | 3,239 |
| Group IV | - Dealers with weak financial metrics | | 1,116 | | 997 |
| Group V | - Dealers warranting special mention due to elevated risks | | 422 | | 260 |
| Group VI | - Dealers with loans classified as substandard, doubtful or impaired | | 83 | | 81 |
| | | \$ | 12,276 | \$ | 9,957 |

Transactions with GM Financial The following table shows transactions between our Automotive segments and GM Financial. These amounts are presented in GM Financial's consolidated balance sheets and statements of income. All balance sheet amounts in the table below are eliminated.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

| | | December 31, 2018 | | Dec | ember 31, 2017 |
|--|------|-------------------|---------------|-----|----------------|
| Consolidated Balance Sheets | | | | | |
| Commercial finance receivables, net due from GM consolidated dealers | | \$ | 445 | \$ | 355 |
| Direct-financing lease receivables from GM subsidiaries | | \$ | 134 | \$ | 88 |
| Subvention receivable(a) | | \$ | 727 | \$ | 306 |
| Commercial loan funding payable | | \$ | 61 | \$ | 90 |
| | | Years End | ed December . | 31, | |
| | 2018 | | 2017 | | 2016 |

| | Tears Ended December 31, | | | | | | | |
|---|--------------------------|-------|----|-------|----|-------|--|--|
| | 2018 | | | 2017 | | 2016 | | |
| Consolidated Statements of Income | | | | | | | | |
| Interest subvention earned on finance receivables | \$ | 554 | \$ | 492 | \$ | 387 | | |
| Leased vehicle subvention earned | \$ | 3,274 | \$ | 3,046 | \$ | 2,232 | | |

⁽a) Cash paid by Automotive segments to GM Financial for subvention was \$3.8 billion, \$4.3 billion, and \$4.2 billion during 2018, 2017 and 2016.

GM Financial's Board of Directors declared and paid a dividend of \$375 million on its common stock in October 2018; and paid a special dividend of \$550 million to GM in November 2017 following the sale of the Fincos.

Note 6. Inventories

| | Decemb | per 31, 2018 | Decen | nber 31, 2017 |
|---|--------|--------------|-------|---------------|
| Total productive material, supplies and work in process | \$ | 4,274 | \$ | 4,203 |
| Finished product, including service parts | | 5,542 | | 6,460 |
| Total inventories | \$ | 9,816 | \$ | 10,663 |

Note 7. Equipment on Operating Leases

Equipment on operating leases consists of leases to retail customers that are recorded as operating leases and vehicle sales to daily rental car companies with an actual or expected repurchase obligation.

| | Decen | Decer | nber 31, 2017 | |
|---------------------------------------|-------|----------|---------------|---------|
| Equipment on operating leases | \$ | 55,282 | \$ | 53,947 |
| Less: accumulated depreciation | | (11,476) | | (9,959) |
| Equipment on operating leases, net(a) | \$ | 43,806 | \$ | 43,988 |

⁽a) Includes \$43.6 billion and \$42.9 billion of GM Financial Equipment on operating leases, net at December 31, 2018 and 2017.

Depreciation expense related to Equipment on operating leases, net was \$7.5 billion, \$6.7 billion and \$4.7 billion in the years ended December 31, 2018, 2017 and 2016.

The following table summarizes minimum rental payments due to GM Financial on leases to retail customers:

| | | Years Ending December 31, | | | | | | | | | | | |
|--|----------|---------------------------|----------|--------|------|-----------|--|--|--|--|--|--|--|
| | 2019 | 2020 | 2021 | 2022 | 2023 | Total | | | | | | | |
| Minimum rental receipts under operating leases | \$ 6,733 | \$ 4,141 | \$ 1,568 | \$ 155 | \$ 9 | \$ 12,606 | | | | | | | |

Note 8. Equity in Net Assets of Nonconsolidated Affiliates

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Nonconsolidated affiliates are entities in which an equity ownership interest is maintained and for which the equity method of accounting is used due to our ability to exert significant influence over decisions relating to their operating and financial affairs. Revenue and expenses of our joint ventures are not consolidated into our financial statements; rather, our proportionate share of the earnings of each joint venture is reflected as Equity income.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

| | | Years Ended December 31, | | | | | | | | | |
|------------------------------------|----|--------------------------|------|-------|------|-------|--|--|--|--|--|
| | 2 | | 2017 | | 2016 | | | | | | |
| Automotive China equity income | \$ | 1,981 | \$ | 1,976 | \$ | 1,973 | | | | | |
| Other joint ventures equity income | | 182 | | 156 | | 309 | | | | | |
| Total Equity income | \$ | 2,163 | \$ | 2,132 | \$ | 2,282 | | | | | |

Investments in Nonconsolidated Affiliates

| | Decem | ber 31, 2018 | December 31, 2017 | | |
|--|-------|--------------|-------------------|-------|--|
| Automotive China carrying amount | \$ | 7,779 | \$ | 7,832 | |
| Other investments carrying amount | | 1,436 | | 1,241 | |
| Total equity in net assets of nonconsolidated affiliates | \$ | 9,215 | \$ | 9,073 | |

The carrying amount of our investments in certain joint ventures exceeded our share of the underlying net assets by \$4.4 billion and \$4.3 billion at December 31, 2018 and 2017 due primarily to goodwill from the application of fresh-start reporting and the purchase of additional interests in nonconsolidated affiliates.

The following table summarizes our direct ownership interests in our China JVs:

| | December 31, 2018 | December 31, 2017 |
|---|--------------------------|-------------------|
| Automotive China JVs | | |
| SAIC General Motors Corp., Ltd. (SGM) | 50% | 50% |
| FAW-GM Light Duty Commercial Vehicle Co., Ltd. (FAW-GM) | 50% | 50% |
| Pan Asia Technical Automotive Center Co., Ltd. | 50% | 50% |
| SAIC General Motors Sales Co., Ltd. | 49% | 49% |
| SAIC GM Wuling Automobile Co., Ltd. (SGMW) | 44% | 44% |
| Shanghai OnStar Telematics Co., Ltd. (Shanghai OnStar) | 40% | 40% |
| SAIC GM (Shenyang) Norsom Motors Co., Ltd. (SGM Norsom) | 25% | 25% |
| SAIC GM Dong Yue Motors Co., Ltd. (SGM DY) | 25% | 25% |
| SAIC GM Dong Yue Powertrain Co., Ltd. (SGM DYPT) | 25% | 25% |
| Other joint ventures | | |
| SAIC-GMAC | 35% | 35% |
| SAIC-GMF Leasing Co., Ltd. | 35% | |

SGM is a joint venture we established with Shanghai Automotive Industry Corporation (SAIC) (50%). SGM has interests in three other joint ventures in China: SGM Norsom, SGM DY and SGM DYPT. These three joint ventures are jointly held by SGM (50%), SAIC (25%) and ourselves. These four joint ventures are engaged in the production, import and sale of a range of products under the Buick, Chevrolet and Cadillac brands. SGM also has interests in Shanghai OnStar (20%), SAIC-GMAC (20%) and SAIC-GMF Leasing Co., Ltd. (20%). Shanghai Automotive Group Finance Company Ltd., a subsidiary of SAIC, owns 45% of SAIC-GMAC. SAIC Financial Holdings Company, a subsidiary of SAIC, owns 45% of SAIC-GMF Leasing Co., Ltd.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

Summarized Financial Data of Nonconsolidated Affiliates

| | | Dece | mber 31, 201 | 8 | | December 31, 2017 | | | | | | |
|--------------------------------------|------------------------|--------|--------------|-------|--------|--------------------------|--------|--------|--------|----|--------|--|
| | utomotive China JVs | Others | | Total | | Automotive China JVs | | Others | | | Total | |
| Summarized Balance Sheet Data | | | | | | | | | | | | |
| Current assets | \$ 16,506 | \$ | 16,234 | \$ | 32,740 | \$ | 17,370 | \$ | 13,484 | \$ | 30,854 | |
| Non-current assets | 14,012 | | 3,870 | | 17,882 | | 14,188 | | 3,409 | | 17,597 | |
| Total assets | \$ 30,518 | \$ | 20,104 | \$ | 50,622 | \$ | 31,558 | \$ | 16,893 | \$ | 48,451 | |
| | | | | | | | | | | | | |
| Current liabilities | \$ 21,574 | \$ | 13,985 | \$ | 35,559 | \$ | 22,642 | \$ | 12,255 | \$ | 34,897 | |
| Non-current liabilities | 1,689 | | 2,826 | | 4,515 | | 1,639 | | 1,903 | | 3,542 | |
| Total liabilities | \$ 23,263 | \$ | 16,811 | \$ | 40,074 | \$ | 24,281 | \$ | 14,158 | \$ | 38,439 | |
| Noncontrolling interests | \$ 865 | \$ | 1 | \$ | 866 | \$ | 871 | \$ | 1 | \$ | 872 | |

| | | Ye | ars En | ded Decembe | er 31, | |
|----------------------------------|------|--------|--------|-------------|--------|--------|
| | 2018 | | | 2017 | | 2016 |
| Summarized Operating Data | | | | | | |
| Automotive China JVs' net sales | \$ | 50,316 | \$ | 50,065 | \$ | 47,150 |
| Others' net sales | | 1,721 | | 2,542 | | 2,412 |
| Total net sales | \$ | 52,037 | \$ | 52,607 | \$ | 49,562 |
| Automotive China JVs' net income | \$ | 3,992 | \$ | 3,984 | \$ | 4,117 |
| Others' net income | | 536 | | 648 | | 378 |
| Total net income | \$ | 4,528 | \$ | 4,632 | \$ | 4,495 |

Transactions with Nonconsolidated Affiliates Our nonconsolidated affiliates are involved in various aspects of the development, production and marketing of trucks, crossovers, cars and automobile parts. We enter into transactions with certain nonconsolidated affiliates to purchase and sell component parts and vehicles. The following tables summarize transactions with and balances related to our nonconsolidated affiliates:

| | | Years Ended December 31, | | | | | | | | | |
|------------------------------------|------|--------------------------|-------------|-------|-------------------|-------|--|--|--|--|--|
| | 2018 | | | | | 2016 | | | | | |
| Automotive sales and revenue | \$ | 406 | \$ | 923 | \$ | 889 | | | | | |
| Automotive purchases, net | \$ | 1,155 | \$ | 674 | \$ | 803 | | | | | |
| Dividends received | \$ | 2,022 | \$ 2, | 2,000 | | 2,120 | | | | | |
| Operating cash flows | \$ | 657 | \$ 2, | ,321 | \$ | 2,512 | | | | | |
| | | Decembe | er 31, 2018 | De | December 31, 2017 | | | | | | |
| Accounts and notes receivable, net | | \$ | 979 | \$ | | 780 | | | | | |
| Accounts payable | | \$ | 163 | \$ | | 534 | | | | | |
| Undistributed earnings | | \$ | 2,331 | \$ | | 2,184 | | | | | |

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

Note 9. Property

| | Estimated Useful Lives in Years | Decen | nber 31, 2018 | December 31, 2017 | | |
|--------------------------------|------------------------------------|-------|---------------|-------------------|----------|--|
| Land | | \$ | 1,349 | \$ | 1,647 | |
| Buildings and improvements | 5-40 | | 9,173 | | 7,471 | |
| Machinery and equipment | 3-27 | | 26,453 | | 23,915 | |
| Special tools | 1-13 | | 23,828 | | 21,113 | |
| Construction in progress | | | 4,680 | | 6,188 | |
| Total property | | | 65,483 | | 60,334 | |
| Less: accumulated depreciation | | | (26,725) | | (24,081) | |
| Total property, net | | \$ | 38,758 | \$ | 36,253 | |

The amount of capitalized software included in Property, net was \$1.1 billion and \$1.2 billion at December 31, 2018 and 2017. The amount of interest capitalized and excluded from Automotive interest expense related to Property, net was insignificant in the years ended December 31, 2018, 2017 and 2016.

| | Years Ended December 31, | | | | | | | | | | |
|--|--------------------------|-------|----|-------|----|-------|--|--|--|--|--|
| | 2018 | | | | | 2016 | | | | | |
| Depreciation and amortization expense | \$ | 5,347 | \$ | 4,966 | \$ | 4,622 | | | | | |
| Impairment charges | \$ | 466 | \$ | 199 | \$ | 68 | | | | | |
| Capitalized software amortization expense(a) | \$ | 424 | \$ | 459 | \$ | 458 | | | | | |

⁽a) Included in depreciation and amortization expense.

Note 10. Goodwill and Intangible Assets

Goodwill of \$1.9 billion consisted of \$1.4 billion recorded in GM Financial and \$504 million and \$490 million included in GM Cruise at December 31, 2018 and 2017.

| | |] | Decem | ber 31, 2018 | 3 | | December 31, 2017 | | | | | | |
|--|-----------------------------|-------|-------|--------------|----|---------------------------|-----------------------------|--------|-----------------------------|-------|---------------------------|-------|--|
| | Gross Carrying Amount | | | | | Net Carrying Amount | Gross Carrying Amount | | Accumulated Amortization | | Net Carrying Amount | | |
| Technology and intellectual property | \$ | 734 | \$ | 457 | \$ | 277 | \$ | 8,092 | \$ | 7,735 | \$ | 357 | |
| Brands | | 4,299 | | 1,165 | | 3,134 | | 4,302 | | 1,044 | | 3,258 | |
| Dealer network, customer relationships and other | | 968 | | 661 | | 307 | | 1,310 | | 933 | | 377 | |
| Total intangible assets | \$ | 6,001 | \$ | 2,283 | \$ | 3,718 | \$ | 13,704 | \$ | 9,712 | \$ | 3,992 | |

Our amortization expense related to intangible assets was \$247 million, \$278 million, and \$325 million in the years ended December 31, 2018, 2017 and 2016.

Amortization expense related to intangible assets is estimated to be approximately \$184 million in each of the next five years.

We removed \$7.7 billion of fully amortized intangible assets in the year ended December 31, 2018 which are no longer in use and provide no remaining economic benefit.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

Note 11. Variable Interest Entities

GM Financial uses special purpose entities (SPEs) that are considered VIEs to issue variable funding notes to third party bank-sponsored warehouse facilities or asset-backed securities to investors in securitization transactions. The debt issued by these VIEs is backed by finance receivables and leasing related assets transferred to the VIEs (Securitized Assets). GM Financial determined that it is the primary beneficiary of the SPEs because the servicing responsibilities for the Securitized Assets give GM Financial the power to direct the activities that most significantly impact the performance of the VIEs and the variable interests in the VIEs give GM Financial the obligation to absorb losses and the right to receive residual returns that could potentially be significant. The assets serve as the sole source of repayment for the debt issued by these entities. Investors in the notes issued by the VIEs do not have recourse to GM Financial or its other assets, with the exception of customary representation and warranty repurchase provisions and indemnities that GM Financial provides as the servicer. GM Financial is not required and does not currently intend to provide additional financial support to these SPEs. While these subsidiaries are included in GM Financial's consolidated financial statements, they are separate legal entities and their assets are legally owned by them and are not available to GM Financial's creditors. The following table summarizes the assets and liabilities related to GM Financial's consolidated VIEs:

| | Decei | nber 31, 2018 | December 31, 201 | | |
|--|-------|---------------|------------------|--------|--|
| Restricted cash – current | \$ | 1,876 | \$ | 1,740 | |
| Restricted cash – non-current | \$ | 504 | \$ | 527 | |
| GM Financial receivables, net of fees – current | \$ | 18,304 | \$ | 15,141 | |
| GM Financial receivables, net of fees - non-current | \$ | 14,008 | \$ | 12,944 | |
| GM Financial equipment on operating leases, net | \$ | 21,781 | \$ | 22,222 | |
| GM Financial short-term debt and current portion of long-term debt | \$ | 21,087 | \$ | 18,972 | |
| GM Financial long-term debt | \$ | 21,417 | \$ | 20,356 | |

GM Financial recognizes finance charge, leased vehicle and fee income on the Securitized Assets and interest expense on the secured debt issued in a securitization transaction and records a provision for loan losses to recognize probable loan losses inherent in the finance receivables.

Note 12. Accrued and Other Liabilities

| | Decem | ber 31, 2018 | December 31, 2017 | | |
|--|-------|--------------|-------------------|--------|--|
| Accrued liabilities | ' | | | | |
| Dealer and customer allowances, claims and discounts | \$ | 11,611 | \$ | 8,523 | |
| Deposits primarily from rental car companies | | 405 | | 2,113 | |
| Deferred revenue | | 3,504 | | 3,400 | |
| Product warranty and related liabilities | | 2,788 | | 2,994 | |
| Payrolls and employee benefits excluding postemployment benefits | | 2,233 | | 2,594 | |
| Other | | 7,508 | | 6,372 | |
| Total accrued liabilities | \$ | 28,049 | \$ | 25,996 | |
| Other liabilities | | | | | |
| Deferred revenue | \$ | 2,959 | \$ | 2,887 | |
| Product warranty and related liabilities | | 4,802 | | 5,338 | |
| Employee benefits excluding postemployment benefits | | 658 | | 680 | |
| Postemployment benefits including facility idling reserves | | 875 | | 574 | |
| Other | | 3,063 | | 2,915 | |
| Total other liabilities | \$ | 12,357 | \$ | 12,394 | |

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

| | Years Ended December 31, | | | | | | | | | |
|--|--------------------------|---------|----|---------|----|---------|--|--|--|--|
| | 2018 | | | 2017 | | 2016 | | | | |
| Product Warranty and Related Liabilities | | | | | | | | | | |
| Warranty balance at beginning of period | \$ | 8,332 | \$ | 9,069 | \$ | 8,550 | | | | |
| Warranties issued and assumed in period – recall campaigns | | 665 | | 678 | | 899 | | | | |
| Warranties issued and assumed in period – product warranty | | 2,143 | | 2,123 | | 2,338 | | | | |
| Payments | | (2,903) | | (3,129) | | (3,375) | | | | |
| Adjustments to pre-existing warranties | | (464) | | (495) | | 636 | | | | |
| Effect of foreign currency and other | | (183) | | 86 | | 21 | | | | |
| Warranty balance at end of period | \$ | 7,590 | \$ | 8,332 | \$ | 9,069 | | | | |

We estimate our reasonably possible loss in excess of amounts accrued for recall campaigns to be insignificant at December 31, 2018. Refer to Note 16 for reasonably possible losses on Takata matters.

Note 13. Automotive and GM Financial Debt

| | De | cember 31, 2018 | December 31, 2017 | | | |
|--|----|-----------------|-------------------|-----------|--|--|
| Secured debt | \$ | 143 | \$ | 204 | | |
| Unsecured debt | | 13,292 | | 12,579 | | |
| Capital leases | | 528 | | 719 | | |
| Total automotive debt(a) | \$ | 13,963 | \$ | 13,502 | | |
| Fair value utilizing Level 1 inputs | \$ | 11,693 | \$ | 13,202 | | |
| Fair value utilizing Level 2 inputs | | 1,838 | | 1,886 | | |
| Fair value of automotive debt | \$ | 13,531 | \$ | 15,088 | | |
| Available under credit facility agreements | \$ | 14,167 | \$ | 14,067 | | |
| Interest rate range on outstanding debt(b) | | 0.0-18.5% | | 0.0-21.8% | | |
| Weighted-average interest rate on outstanding short-term debt(b) | | 6.6% | | 4.7% | | |
| Weighted-average interest rate on outstanding long-term debt(b) | | 5.2% | | 5.2% | | |

⁽a) Includes net discount and debt issuance costs of \$499 million at December 31, 2018 and 2017.

In April 2018 we amended and restated our two existing revolving credit facilities and entered into a third facility, increasing our aggregate borrowing capacity from \$14.5 billion to \$16.5 billion. These facilities consist of a 364-day, \$2.0 billion facility, a three-year, \$4.0 billion facility and a five-year, \$10.5 billion facility. The facilities are available to us as well as certain wholly-owned subsidiaries, including GM Financial. The three-year, \$4.0 billion facility allows for borrowings in U.S. Dollars and other currencies and includes a letter of credit sub-facility of \$1.1 billion. The five-year, \$10.5 billion facility allows for borrowings in U.S. Dollars and other currencies. The 364-day, \$2.0 billion facility allows for borrowing in U.S. Dollars only. We have allocated the 364-day, \$2.0 billion facility for exclusive use by GM Financial.

In September 2018 we issued \$2.1 billion in aggregate principal amount of senior unsecured notes with an initial weighted average interest rate of 5.03% and maturity dates ranging from 2021 to 2049. The notes are governed by the same indenture that was used in past issuances, which contains terms and covenants customary of these types of securities including limitations on the amount of certain secured debt we may incur. The net proceeds from the issuance of these senior unsecured notes were used to repay \$1.5

⁽b) Includes coupon rates on debt denominated in various foreign currencies and interest free loans and the impact of reclassification of \$1.5 billion of senior unsecured notes from long-term to short-term in the year ended December 31, 2017.

billion of debt in October 2018 upon maturity, pre-fund \$584 milion in certain mandatory contributions for our U.K. and Canada pension plans due in 2019 through 2021, and for other general corporate purposes.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

In January 2019 we entered into a new three-year committed unsecured revolving credit facility with an initial borrowing capacity of \$3.0 billion, reducing to \$2.0 billion in July 2020. The facility will be used to fund costs related to the transformation activities announced in November 2018 and to provide additional financial flexibility.

| | | Decembe | er 31, | 2018 | December 31, 2017 | | | | | | |
|-------------------------------------|----|---------|--------|--------|-------------------|--------|----|--------------------|------------|--|--|
| Carrying Amount | | | | | | | | Carrying Amount | Fair Value | | |
| Secured debt | \$ | 42,835 | \$ | 42,835 | \$ | 39,887 | \$ | 39,948 | | | |
| Unsecured debt | | 48,153 | | 47,556 | | 40,830 | | 41,989 | | | |
| Total GM Financial debt | \$ | 90,988 | \$ | 90,391 | \$ | 80,717 | \$ | 81,937 | | | |
| Fair value utilizing Level 2 inputs | | | \$ | 88,305 | | | \$ | 79,623 | | | |
| Fair value utilizing Level 3 inputs | | | \$ | 2,086 | | | \$ | 2,314 | | | |

Secured debt consists of revolving credit facilities and securitization notes payable. Most of the secured debt was issued by VIEs and is repayable only from proceeds related to the underlying pledged Securitized Assets. Refer to Note 11 for additional information on GM Financial's involvement with VIEs. GM Financial is required to hold certain funds in restricted cash accounts to provide additional collateral for borrowings under certain secured credit facilities. The weighted-average interest rate on secured debt was 2.85% at December 31, 2018. The revolving credit facilities have maturity dates ranging from 2019 to 2024 and securitization notes payable have maturity dates ranging from 2019 to 2026. At the end of the revolving period, if not renewed, the debt of revolving credit facilities will amortize over a defined period. In the year ended December 31, 2018 GM Financial entered into new or renewed credit facilities with a total net additional borrowing capacity of \$695 million, which had substantially the same terms as existing debt and GM Financial issued \$22.8 billion in aggregate principal amount of securitization notes payable with an initial weighted average interest rate of 3.00% and maturity dates ranging from 2020 to 2026.

Unsecured debt consists of senior notes, credit facilities and other unsecured debt. Senior notes outstanding at December 31, 2018 are due beginning in 2019 through 2028 and have a weighted-average interest rate of 3.40%. In the year ended December 31, 2018 GM Financial issued \$8.6 billion in aggregate principal amount of senior notes with an initial weighted average interest rate of 3.36% and maturity dates ranging from 2020 to 2028.

In January 2019 GM Financial issued \$2.5 billion in aggregate principal amount of senior notes with an initial weighted average interest rate of 5.03% and maturity dates ranging from 2021 to 2029.

In January 2019 GM Financial issued €850 million of Euro Medium Term Notes under the Euro Medium Term Note Programme with an interest rate of 2.20% due in 2024.

During the year ended December 31, 2018, GM Financial launched an unsecured commercial paper notes program in the U.S. At December 31, 2018, the principal amount outstanding of GM Financial's commercial paper in the U.S. was \$1.2 billion.

Each of the revolving credit facilities and the indentures governing GM Financial's notes contain terms and covenants including limitations on GM Financial's ability to incur certain liens.

The terms of advances on credit facilities and other unsecured debt have original maturities of up to four years. The weighted-average interest rate on credit facilities and other unsecured debt was 5.98% at December 31, 2018.

| | Years Ended December 31, | | | | | | | | |
|--|--------------------------|-------|----|-------|------|-------|--|--|--|
| | 2018 | | | 2017 | 2016 | | | | |
| Automotive interest expense | \$ | 655 | \$ | 575 | \$ | 563 | | | |
| Automotive Financing - GM Financial interest expense | | 3,225 | | 2,566 | | 1,972 | | | |
| Total interest expense | \$ | 3,880 | \$ | 3,141 | \$ | 2,535 | | | |

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GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

The following table summarizes contractual maturities including capital leases at December 31, 2018:

| | A | utomotive | utomotive nancing(a) | Total |
|------------|----|-----------|-------------------------|---------------|
| 2019 | \$ | 949 | \$ 31,045 | \$ 31,994 |
| 2020 | | 589 | 23,153 | 23,742 |
| 2021 | | 505 | 15,038 | 15,543 |
| 2022 | | 49 | 7,430 | 7,479 |
| 2023 | | 1,544 | 5,083 | 6,627 |
| Thereafter | | 10,826 | 9,937 | 20,763 |
| | \$ | 14,462 | \$ 91,686 | \$ 106,148 |

⁽a) Secured debt, credit facilities and other unsecured debt are based on expected payoff date. Senior notes principal amounts are based on maturity.

At December 31, 2018 future interest payments on automotive capital lease obligations were \$565 million. GM Financial had no capital lease obligations at December 31, 2018.

Compliance with Debt Covenants Several of our loan facilities, including our revolving credit facilities, require compliance with certain financial and operational covenants as well as regular reporting to lenders, including providing certain subsidiary financial statements. Certain of GM Financial's secured debt agreements also contain various covenants, including maintaining portfolio performance ratios as well as limits on deferment levels. GM Financial's unsecured debt obligations contain covenants including limitations on GM Financial's ability to incur certain liens. Failure to meet certain of these requirements may result in a covenant violation or an event of default depending on the terms of the agreement. An event of default may allow lenders to declare amounts outstanding under these agreements immediately due and payable, to enforce their interests against collateral pledged under these agreements or restrict our ability or GM Financial's ability to obtain additional borrowings. No technical defaults or covenant violations existed at December 31, 2018.

Note 14. Derivative Financial Instruments

Automotive The following table presents the notional amounts of derivative financial instruments in our automotive operations:

| | Fair Value Level | Decen | nber 31, 2018 | December 31, 2017 | | |
|---|---------------------|-------|---------------|--------------------------|-------|--|
| Derivatives not designated as hedges(a) | | | | | | |
| Foreign currency | 2 | \$ | 2,710 | \$ | 4,022 | |
| Commodity | 2 | | 658 | | 606 | |
| PSA Warrants(b) | 2 | | 45 | | 48 | |
| Total derivative financial instruments | | \$ | 3,413 | \$ | 4,676 | |

⁽a) The fair value of these derivative instruments at December 31, 2018 and 2017 and the gains/losses included in our consolidated income statements for the years ended December 31, 2018, 2017 and 2016 were insignificant, unless otherwise noted.

⁽b) The fair value of the PSA warrants located in Other assets was \$827 million and \$764 million at December 31, 2018 and 2017. We recorded insignificant amounts in Interest income and other non-operating income, net for the years ended December 31, 2018 and 2017.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

GM Financial The following table presents the notional amounts of GM Financial's derivative financial instruments:

| | Fair Value Level | Decer | mber 31, 2018 | Decer | mber 31, 2017 |
|---|---------------------|-------|---------------|-------|---------------|
| Derivatives designated as hedges(a)(b) | | | | | |
| Fair value hedges – interest rate swaps(c) | 2 | \$ | 9,533 | \$ | 11,110 |
| Fair value hedges – foreign currency swaps(c) | 2 | | 1,829 | | _ |
| Cash flow hedges | | | | | |
| Interest rate swaps | 2 | | 768 | | 2,177 |
| Foreign currency swaps | 2 | | 2,075 | | 1,574 |
| Derivatives not designated as hedges(a)(b) | | | | | |
| Interest rate contracts(d) | 2 | | 99,666 | | 81,938 |
| Foreign currency swaps | 2 | | _ | | 1,201 |
| Total derivative financial instruments(e) | | \$ | 113,871 | \$ | 98,000 |

⁽a) The fair value of these derivative instruments at December 31, 2018 and 2017 and the gains/losses included in our consolidated income statements and statements of comprehensive income for the years ended December 31, 2018, 2017 and 2016 were insignificant, unless otherwise noted.

The fair value for Level 2 instruments was derived using the market approach based on observable market inputs including quoted prices of similar instruments and foreign exchange and interest rate forward curves.

The following amounts were recorded in the consolidated balance sheet related to items designated and qualifying as hedged items in fair value hedging relationships:

| | | Decembe | r 31, 2018 | |
|-------------|----------|---------------------------|------------|---|
| | Carrying | Amount of Hedged Items | | tive Amount of Fair Value lging Adjustments(a) |
| g-term debt | \$ | 17,923 | \$ | 459 |

⁽a) Includes \$247 million of adjustments remaining on hedged items for which hedge accounting has been discontinued.

Note 15. Pensions and Other Postretirement Benefits

Employee Pension and Other Postretirement Benefit Plans

Defined Benefit Pension Plans Defined benefit pension plans covering eligible U.S. hourly employees (hired prior to October 2007) and Canadian hourly employees (hired prior to October 2016) generally provide benefits of negotiated, stated amounts for each year of service and supplemental benefits for employees who retire with 30 years of service before normal retirement age. The benefits provided by the defined benefit pension plans covering eligible U.S. (hired prior to January 1, 2001) and Canadian salaried employees and employees in certain other non-U.S. locations are generally based on years of service and compensation history. Accrual of defined pension benefits ceased in 2012 for U.S. and Canadian salaried employees. There is also an unfunded nonqualified pension plan covering primarily U.S. executives for service prior to January 1, 2007 and it is based on an "excess plan" for service after that date.

⁽b) Amounts accrued for interest payments in a net receivable position are included in Other assets. Amounts accrued for interest payments in a net payable position are included in Other liabilities.

⁽c) The fair value of these derivative instruments located in Other liabilities was \$291 million and \$290 million at December 31, 2018 and 2017. The fair value of these derivative instruments located in Other assets were insignificant at December 31, 2018 and 2017.

⁽d) The fair value of these derivative instruments located in Other assets was \$372 million and \$329 million at December 31, 2018 and 2017. The fair value of these derivative instruments located in Other liabilities was \$520 million and \$207 million at December 31, 2018 and 2017.

⁽e) We held insignificant amounts and posted \$451 million and \$299 million of collateral available for netting at December 31, 2018 and 2017.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

The funding policy for qualified defined benefit pension plans is to contribute annually not less than the minimum required by applicable laws and regulations or to directly pay benefit payments where appropriate. In the year ended December 31, 2018 all legal funding requirements were met and we contributed \$584 million to pre-fund U.K. and Canada pension plans. In the year ended December 31, 2016 we made a discretionary contribution to our U.S. hourly pension plan of \$2.0 billion. The following table summarizes contributions made to the defined benefit pension plans:

| | Years Ended December 31, | | | | | | | | | |
|--------------------------|--------------------------|-------|----|-------|------|-------|--|--|--|--|
| | 2018 | | | 2017 | 2016 | | | | | |
| U.S. hourly and salaried | \$ | 76 | \$ | 77 | \$ | 2,054 | | | | |
| Non-U.S. | | 1,624 | | 1,153 | | 1,022 | | | | |
| Total | \$ | 1,700 | \$ | 1,230 | \$ | 3,076 | | | | |

We expect to contribute approximately \$70 million to our U.S. non-qualified plans and approximately \$600 million to our non-U.S. pension plans in 2019.

Based on our current assumptions, over the next five years we expect no significant mandatory contributions to our U.S. qualified pension plans and mandatory contributions totaling \$310 million to our U.K. and Canada pension plans.

Other Postretirement Benefit Plans Certain hourly and salaried defined benefit plans provide postretirement medical, dental, legal service and life insurance to eligible U.S. and Canadian retirees and their eligible dependents. Certain other non-U.S. subsidiaries have postretirement benefit plans, although most non-U.S. employees are covered by government sponsored or administered programs. We made contributions to the U.S. OPEB plans of \$325 million, \$323 million and \$335 million in the years ended December 31, 2018, 2017 and 2016.

Defined Contribution Plans We have defined contribution plans for eligible U.S. salaried and hourly employees that provide discretionary matching contributions. Contributions are also made to certain non-U.S. defined contribution plans. We made contributions to our defined contribution plans of \$617 million, \$650 million and \$589 million in the years ended December 31, 2018, 2017 and 2016.

Significant Plan Amendments, Benefit Modifications and Related Events

Other Remeasurements The SOA issued mortality improvement tables in the three months ended December 31, 2018. We reviewed our recent mortality experience and have updated our base mortality assumptions in the U.S. This change in assumption decreased the December 31, 2018 U.S. pension and OPEB plans' obligations by \$264 million. We determined our current mortality improvement assumptions are appropriate to measure our December 31, 2018 U.S. pension and OPEB plans obligations. We incorporated the mortality improvement tables issued by the SOA in the three months ended December 31, 2016 that lowered life expectancies and thereby indicated the amount of estimated aggregate benefit payments to our U.S. pension plans' participants was decreasing. This change in assumption decreased the December 31, 2016 U.S. pension and OPEB plans' obligations by \$888 million.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

Pension and OPEB Obligations and Plan Assets

| | Year Ended December 31, 2018 | | | | | Year Ended December 31, 2017 | | | | | | | |
|--|------------------------------|---------|-----|----------|---------------|----------------------------------|---------------|-----|---------|----|----------|--|---------------|
| | | Pension | Bei | nefits | | Global | Pension | Ber | nefits | | Global | | |
| | | U.S. | ľ | Non-U.S. | OPEB Plans | | | | U.S. | N | lon-U.S. | | OPEB Plans |
| Change in benefit obligations | | | | | | | | | | | | | |
| Beginning benefit obligation | \$ | 68,450 | \$ | 22,789 | \$ | 6,374 | \$ 68,827 | \$ | 21,156 | \$ | 6,180 | | |
| Service cost | | 209 | | 149 | | 20 | 203 | | 180 | | 19 | | |
| Interest cost | | 2,050 | | 464 | | 195 | 2,145 | | 473 | | 202 | | |
| Actuarial (gains) losses | | (4,449) | | (272) | | (389) | 2,885 | | 561 | | 311 | | |
| Benefits paid | | (4,898) | | (1,595) | | (388) | (5,067) | | (1,369) | | (426) | | |
| Foreign currency translation adjustments | | _ | | (1,452) | | (106) | | | 1,953 | | 78 | | |
| Curtailments, settlements and other | | (172) | | (179) | | 38 | (543) | | (165) | | 10 | | |
| Ending benefit obligation | | 61,190 | | 19,904 | | 5,744 | 68,450 | | 22,789 | | 6,374 | | |
| Change in plan assets | | | | | | | | | | | | | |
| Beginning fair value of plan assets | | 62,639 | | 14,495 | | | 61,622 | | 12,799 | | _ | | |
| Actual return on plan assets | | (1,419) | | 301 | | _ | 6,549 | | 1,025 | | _ | | |
| Employer contributions | | 76 | | 1,624 | | 369 | 77 | | 1,153 | | 406 | | |
| Benefits paid | | (4,898) | | (1,595) | | (388) | (5,067) | | (1,369) | | (426) | | |
| Foreign currency translation adjustments | | _ | | (1,106) | | _ | _ | | 1,007 | | _ | | |
| Settlements and other | | (296) | | (191) | | 19 | (542) | | (120) | | 20 | | |
| Ending fair value of plan assets | | 56,102 | | 13,528 | | | 62,639 | | 14,495 | | | | |
| Ending funded status | \$ | (5,088) | \$ | (6,376) | \$ | (5,744) | \$ (5,811) | \$ | (8,294) | \$ | (6,374) | | |
| Amounts recorded in the consolidated balance sheets | | | | | | | | | | | | | |
| Non-current assets | \$ | _ | \$ | 496 | \$ | | \$ _ | \$ | 67 | \$ | _ | | |
| Current liabilities | | (73) | | (349) | | (374) | (71) | | (355) | | (376) | | |
| Non-current liabilities | | (5,015) | | (6,523) | | (5,370) | (5,740) | | (8,006) | | (5,998) | | |
| Net amount recorded | \$ | (5,088) | \$ | (6,376) | \$ | (5,744) | \$ (5,811) | \$ | (8,294) | \$ | (6,374) | | |
| Amounts recorded in Accumulated other comprehensive loss | | | | | | | | | | | | | |
| Net actuarial gain (loss) | \$ | (752) | \$ | (3,983) | \$ | (752) | \$ 114 | \$ | (4,163) | \$ | (1,186) | | |
| Net prior service (cost) credit | | 19 | | (64) | | 34 | 23 | | (26) | | 55 | | |
| Total recorded in Accumulated other comprehensive loss | \$ | (733) | \$ | (4,047) | \$ | (718) | \$ 137 | \$ | (4,189) | \$ | (1,131) | | |

The following table summarizes the total accumulated benefit obligations (ABO), the ABO and fair value of plan assets for defined benefit pension plans with ABO in excess of plan assets, and the PBO and fair value of plan assets for defined benefit pension plans with PBO in excess of plan assets:

| | December 31, 2018 | | | | | | December 31, 2017 | | | | | |
|---|-------------------|--------|----|----------|----|--------|-------------------|----------|--|--|--|--|
| | | U.S. | I | Non-U.S. | | U.S. | I | Non-U.S. | | | | |
| ABO | \$ | 61,177 | \$ | 19,822 | \$ | 68,437 | \$ | 22,650 | | | | |
| Plans with ABO in excess of plan assets | | | | | | | | | | | | |
| ABO | \$ | 61,177 | \$ | 10,289 | \$ | 68,437 | \$ | 21,679 | | | | |
| Fair value of plan assets | \$ | 56,102 | \$ | 3,485 | \$ | 62,639 | \$ | 13,408 | | | | |
| Plans with PBO in excess of plan assets | | | | | | | | | | | | |
| PBO | \$ | 61,190 | \$ | 10,356 | \$ | 68,450 | \$ | 21,822 | | | | |

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

The following table summarizes the components of net periodic pension and OPEB expense along with the assumptions used to determine benefit obligations:

| | Year Ended December 31, 2018 | | | | Year Ended December 31, 2017 | | | | | Year Ended December 31, 2016 | | | | | | | | | |
|---|------------------------------|---------|-----|----------|------------------------------|---------------|---------|---------|----------|------------------------------|--------|---------------|---------|---------|----|---------|----|---------------|--|
| | | Pension | Ben | efits | Global | | Pension | | Benefits | | Global | | Pension | | | efits | | Global | |
| | | U.S. | N | lon-U.S. | | OPEB Plans | | U.S. | | Non-U.S. | | OPEB Plans | | U.S. | | on-U.S. | | OPEB Plans | |
| Components of expense | | | | | | | | | | | | | | | | | | | |
| Service cost | \$ | 330 | \$ | 163 | \$ | 20 | \$ | 315 | \$ | 199 | \$ | 19 | \$ | 381 | \$ | 273 | \$ | 18 | |
| Interest cost | | 2,050 | | 464 | | 195 | | 2,145 | | 473 | | 202 | | 2,212 | | 527 | | 201 | |
| Expected return on plan assets | | (3,890) | | (825) | | _ | | (3,677) | | (750) | | _ | | (3,778) | | (733) | | _ | |
| Amortization of net actuarial (gains) losses | | 10 | | 144 | | 54 | | (6) | | 157 | | 23 | | (25) | | 137 | | 19 | |
| Curtailments, settlements and other | | (19) | | 43 | | (19) | | (37) | | 8 | | (5) | | (4) | | 16 | | (13) | |
| Net periodic pension and OPEB (income) expense | \$ | (1,519) | \$ | (11) | \$ | 250 | \$ | (1,260) | \$ | 87 | \$ | 239 | \$ | (1,214) | \$ | 220 | \$ | 225 | |
| Weighted-average assumptions used to determine benefit obligations(a) | | | | | _ | | | | | | | | | | | | | | |
| Discount rate | | 4.22% | | 2.86% | | 4.19% | | 3.53% | | 2.66% | | 3.52% | | 3.92% | | 2.88% | | 3.93% | |
| Weighted-average assumptions used to determine net expense(a) | | | | | | | | | | | | | | | | | | | |
| Discount rate | | 3.19% | | 2.99% | | 3.29% | | 3.35% | | 2.94% | | 3.39% | | 3.36% | | 3.14% | | 3.49% | |
| Expected rate of return on plan assets | | 6.61% | | 6.09% | | N/A | | 6.23% | | 5.82% | | N/A | | 6.33% | | 6.07% | | N/A | |
| | | | | | | | | | | | | | | | | | | | |

⁽a) The rate of compensation increase does not have a significant effect on our U.S. pension and OPEB plans.

The non-service cost components of the net periodic pension and OPEB income of \$1.7 billion, \$1.3 billion and \$1.3 billion in the years ended December 31, 2018, 2017 and 2016 are presented in Interest income and other non-operating income, net. Refer to Note 2 for additional details on the adoption of ASU 2017-07.

U.S. pension plan service cost includes administrative expenses and Pension Benefit Guarantee Corporation premiums which were insignificant in the years ended December 31, 2018, 2017 and 2016. Weighted-average assumptions used to determine net expense are determined at the beginning of the period and updated for remeasurements. Non-U.S. pension plan administrative expenses included in service cost were insignificant in the years ended December 31, 2018, 2017 and 2016.

Estimated amounts to be amortized from Accumulated other comprehensive loss into net periodic benefit cost in the year ending December 31, 2019 based on December 31, 2018 plan measurements are \$129 million, consisting primarily of amortization of the net actuarial loss in the non-U.S. pension plans.

Assumptions

Investment Strategies and Long-Term Rate of Return Detailed periodic studies are conducted by our internal asset management group as well as outside actuaries and are used to determine the long-term strategic mix among asset classes, risk mitigation strategies and the expected long-term return on asset assumptions for the U.S. pension plans. The U.S. study includes a review of alternative asset allocation and risk mitigation strategies, anticipated future long-term performance and risk of the individual asset classes that comprise the plans' asset mix. Similar studies are performed for the significant non-U.S. pension plans with the assistance of outside actuaries and asset managers. While the studies incorporate data from recent plan performance and historical returns, the expected long-term return on plan asset assumptions are determined based on long-term prospective rates of return.

We continue to pursue various options to fund and de-risk our pension plans, including continued changes to the pension asset portfolio mix to reduce funded status volatility. The strategic asset mix and risk mitigation strategies for the plans are tailored specifically for each plan. Individual plans have distinct liabilities, liquidity needs and regulatory requirements. Consequently there are different investment policies set by individual plan fiduciaries. Although investment policies and risk mitigation strategies may differ among plans, each investment strategy is considered to be appropriate in the context of the specific factors affecting each plan.

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In setting new strategic asset mixes, consideration is given to 1127 likelihood that the selected asset mixes will effectively fund the projected pension plan liabilities, while aligning with the risk tolerance of the plans' fiduciaries. The strategic asset mixes for U.S. defined benefit pension plans are increasingly designed to satisfy the competing objectives of improving funded positions

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

(market value of assets equal to or greater than the present value of the liabilities) and mitigating the possibility of a deterioration in funded status.

Derivatives may be used to provide cost effective solutions for rebalancing investment portfolios, increasing or decreasing exposure to various asset classes and for mitigating risks, primarily interest rate, equity and currency risks. Equity and fixed income managers are permitted to utilize derivatives as efficient substitutes for traditional securities. Interest rate derivatives may be used to adjust portfolio duration to align with a plan's targeted investment policy and equity derivatives may be used to protect equity positions from downside market losses. Alternative investment managers are permitted to employ leverage, including through the use of derivatives, which may alter economic exposure.

In December 2018 an investment policy study was completed for the U.S. pension plans. As a result of changes to our capital market assumptions, the weighted-average long-term rate of return on assets decreased from 6.6% at December 31, 2017 to 6.4% at December 31, 2018. The expected long-term rate of return on plan assets used in determining pension expense for non-U.S. plans is determined in a similar manner to the U.S. plans.

Target Allocation Percentages The following table summarizes the target allocations by asset category for U.S. and non-U.S. defined benefit pension plans:

| | December | 31, 2018 | December | r 31, 2017 | | |
|----------|----------|----------|----------|------------|--|--|
| | U.S. | Non-U.S. | U.S. | Non-U.S. | | |
| Equity | 12% | 14% | 15% | 18% | | |
| Debt | 64% | 66% | 61% | 56% | | |
| Other(a) | 24% | 20% | 24% | 26% | | |
| Total | 100% | 100% | 100% | 100% | | |

⁽a) Primarily includes private equity, real estate and absolute return strategies which mainly consist of hedge funds.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

Assets and Fair Value Measurements The following tables summarize the fair value of U.S. and non-U.S. defined benefit pension plan assets by asset class:

| | | Decembe | er 31, 2018 | | | | | |
|---|----------|-----------|-------------|-----------|----------|-----------|---------|-----------|
| | Level 1 | Level 2 | Level 3 | Total | Level 1 | Level 2 | Level 3 | Total |
| U.S. Pension Plan Assets | | | | | | | | |
| Common and preferred stocks | \$ 4,914 | \$ 18 | \$ 2 | \$ 4,934 | \$ 8,892 | \$ 17 | \$ 2 | \$ 8,911 |
| Government and agency debt securities(a) | _ | 12,077 | _ | 12,077 | _ | 12,116 | _ | 12,116 |
| Corporate and other debt securities | | 24,645 | _ | 24,645 | _ | 26,122 | _ | 26,122 |
| Other investments, net | 350 | 80 | 371 | 801 | 552 | 119 | 395 | 1,066 |
| Net plan assets subject to leveling | \$ 5,264 | \$ 36,820 | \$ 373 | 42,457 | \$ 9,444 | \$ 38,374 | \$ 397 | 48,215 |
| Plan assets measured at net asset value | | | | | | | | |
| Investment funds | | | | 6,465 | | | | 6,632 |
| Private equity and debt investments | | | | 3,021 | | | | 3,539 |
| Real estate investments | | | | 3,504 | | | | 3,351 |
| Total plan assets measured at net asset value | | | | 12,990 | | | | 13,522 |
| Other plan assets, net(b) | | | | 655 | | | | 902 |
| Net plan assets | | | | \$ 56,102 | | | | \$ 62,639 |

| | December 31, 2018 | | | | | | | | | | | | | | | |
|---|-------------------|-----|---------|-------|---------|-----|-------|--------|---------|-----|---------|-------|---------|-----|----|--------|
| | Level 1 | | Level 2 | | Level 3 | | Total | | Level 1 | | Level 2 | | Level 3 | | | Total |
| Non-U.S. Pension Plan Assets | | | | | | | | | | | | | | | | |
| Common and preferred stocks | \$ | 441 | \$ | 1 | \$ | 5 | \$ | 447 | \$ | 578 | \$ | 1 | \$ | 6 | \$ | 585 |
| Government and agency debt securities(a) | | _ | | 3,640 | | _ | | 3,640 | | _ | | 3,853 | | _ | | 3,853 |
| Corporate and other debt securities | | _ | | 2,589 | | 1 | | 2,590 | | _ | | 2,566 | | _ | | 2,566 |
| Other investments, net | | 59 | | 128 | | 242 | | 429 | | 23 | | 149 | | 438 | | 610 |
| Net plan assets subject to leveling | \$ | 500 | \$ | 6,358 | \$ | 248 | | 7,106 | \$ | 601 | \$ | 6,569 | \$ | 444 | | 7,614 |
| Plan assets measured at net asset value | | | | | | | | | | | | | | | | |
| Investment funds | | | | | | | | 5,081 | | | | | | | | 5,346 |
| Private equity and debt investments | | | | | | | | 526 | | | | | | | | 570 |
| Real estate investments | | | | | | | _ | 980 | | | | | | | | 1,097 |
| Total plan assets measured at net asset value | | | | | | | | 6,587 | | | | | | | | 7,013 |
| Other plan assets (liabilities), net(b) | | | | | | | _ | (165) | | | | | | | | (132) |
| Net plan assets | | | | | | | \$ | 13,528 | | | | | | | \$ | 14,495 |

⁽a) Includes U.S. and sovereign government and agency issues.

The activity attributable to U.S. and non-U.S. Level 3 defined benefit pension plan investments was insignificant in the years ended December 31, 2018 and 2017.

Investment Fund Strategies Investment funds include hedge funds, funds of hedge funds, equity funds and fixed income funds. Hedge funds and funds of hedge funds managers typically seek to achieve their objectives by allocating capital across a broad array of funds and/or investment managers. Equity funds invest in U.S. common and preferred stocks as well as similar equity securities issued by companies incorporated, listed or domiciled in developed and/or emerging market countries. Fixed income funds include investments in high quality funds and, to a lesser extent, high yield funds. High quality fixed income funds invest in government securities, investment-grade corporate bonds and mortgage and asset-backed securities. High yield fixed income funds invest in high

⁽b) Cash held by the plans, net of amounts receivable/payable for unsettled security transactions and payables for investment manager fees, custody fees and other expenses.

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yield fixed income securities issued by corporations which are rated below investment grade. Other investment funds also included in this category primarily represent multi-strategy funds that invest in broadly diversified portfolios of equity, fixed income and derivative instruments.

Private equity and debt investments primarily consist of investments in private equity and debt funds. These investments provide exposure to and benefit from long-term equity investments in private companies, including leveraged buy-outs, venture capital and distressed debt strategies.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

Real estate investments include funds that invest in entities which are primarily engaged in the ownership, acquisition, development, financing, sale and/or management of income-producing real estate properties, both commercial and residential. These funds typically seek long-term growth of capital and current income that is above average relative to public equity funds.

Significant Concentrations of Risk The assets of the pension plans include certain investment funds, private equity and debt investments and real estate investments. Investment managers may be unable to quickly sell or redeem some or all of these investments at an amount close or equal to fair value in order to meet a plan's liquidity requirements or to respond to specific events such as deterioration in the creditworthiness of any particular issuer or counterparty.

Illiquid investments held by the plans are generally long-term investments that complement the long-term nature of pension obligations and are not used to fund benefit payments when currently due. Plan management monitors liquidity risk on an ongoing basis and has procedures in place that are designed to maintain flexibility in addressing plan-specific, broader industry and market liquidity events.

The pension plans may invest in financial instruments denominated in foreign currencies and may be exposed to risks that the foreign currency exchange rates might change in a manner that has an adverse effect on the value of the foreign currency denominated assets or liabilities. Forward currency contracts may be used to manage and mitigate foreign currency risk.

The pension plans may invest in debt securities for which any change in the relevant interest rates for particular securities might result in an investment manager being unable to secure similar returns upon the maturity or the sale of securities. In addition changes to prevailing interest rates or changes in expectations of future interest rates might result in an increase or decrease in the fair value of the securities held. Interest rate swaps and other financial derivative instruments may be used to manage interest rate risk.

Benefit Payments Benefits for most U.S. pension plans and certain non-U.S. pension plans are paid out of plan assets rather than our Cash and cash equivalents. The following table summarizes net benefit payments expected to be paid in the future, which include assumptions related to estimated future employee service:

| | Pension Benefits | | | | | | | | |
|-------------|------------------|--------|----|-------|----|--------------------|--|--|--|
| | U.S. Plans | | | | G | obal OPEB Plans | | | |
| 2019 | \$ | 5,325 | \$ | 1,360 | \$ | 379 | | | |
| 2020 | \$ | 4,858 | \$ | 1,212 | \$ | 374 | | | |
| 2021 | \$ | 4,720 | \$ | 1,174 | \$ | 369 | | | |
| 2022 | \$ | 4,603 | \$ | 1,144 | \$ | 364 | | | |
| 2023 | \$ | 4,491 | \$ | 1,113 | \$ | 361 | | | |
| 2024 - 2028 | \$ | 20,803 | \$ | 5,116 | \$ | 1,762 | | | |

Note 16. Commitments and Contingencies

Litigation-Related Liability and Tax Administrative Matters In the normal course of our business, we are named from time to time as a defendant in various legal actions, including arbitrations, class actions and other litigation. We identify below the material individual proceedings and investigations where we believe a material loss is reasonably possible or probable. We accrue for matters when we believe that losses are probable and can be reasonably estimated. At December 31, 2018 and 2017, we had accruals of \$1.3 billion and \$930 million in Accrued liabilities and Other liabilities. In many matters, it is inherently difficult to determine whether loss is probable or reasonably possible or to estimate the size or range of the possible loss. Accordingly adverse outcomes from such proceedings could exceed the amounts accrued by an amount that could be material to our results of operations or cash flows in any particular reporting period.

Proceedings Related to Ignition Switch Recall and Other Recalls In 2014 we announced various recalls relating to safety and other matters. Those recalls included recalls to repair ignition switches that could under certain circumstances unintentionally move from the "run" position to the "accessory" or "off" position with a corresponding loss of power, which could in turn prevent airbags from deploying in the event of a crash.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

Economic-Loss Claims We are aware of over 100 putative class actions pending against GM in U.S. and Canadian courts alleging that consumers who purchased or leased vehicles manufactured by GM or MLC (formerly known as General Motors Corporation) had been economically harmed by one or more of the 2014 recalls and/or the underlying vehicle conditions associated with those recalls (economic-loss cases). In general, these economic-loss cases seek recovery for purported compensatory damages, such as alleged benefit-of-the-bargain damages or damages related to alleged diminution in value of the vehicles, as well as punitive damages, injunctive relief and other relief.

Many of the pending U.S. economic-loss claims have been transferred to, and consolidated in, a single federal court, the U.S. District Court for the Southern District of New York (Southern District). These plaintiffs have asserted economic-loss claims under federal and state laws, including claims relating to recalled vehicles manufactured by GM and claims asserting successor liability relating to certain recalled vehicles manufactured by MLC. The Southern District has dismissed various of these claims, including claims under the Racketeer Influenced and Corrupt Organization Act, claims for recovery for alleged reduction in the value of plaintiffs' vehicles due to damage to GM's reputation and brand as a result of the ignition switch matter, and claims of certain plaintiffs who purchased a vehicle before GM came into existence in July 2009. The Southern District also dismissed certain state law claims at issue.

In August 2017 the Southern District granted our motion to dismiss the successor liability claims of plaintiffs in seven of the sixteen states at issue on the motion and called for additional briefing to decide whether plaintiffs' claims can proceed in the other nine states. In December 2017 the Southern District granted GM's motion and dismissed successor liability claims of plaintiffs in an additional state, but found that there are genuine issues of material fact that prevent summary judgment for GM in eight other states. In January 2018, GM moved for reconsideration of certain portions of the Southern District's December 2017 summary judgment ruling. That motion was granted in April 2018, dismissing plaintiffs' successor liability claims in any state where New York law applies.

In September 2018 the Southern District granted our motion to dismiss claims for lost personal time (in 41 out of 47 jurisdictions) and certain unjust enrichment claims, but denied our motion to dismiss plaintiffs' economic loss claims in 27 jurisdictions under the "manifest defect" rule. Significant summary judgment, class certification, and expert evidentiary motions remain at issue.

Personal Injury Claims We also are aware of several hundred actions pending in various courts in the U.S. and Canada alleging injury or death as a result of defects that may be the subject of the 2014 recalls (personal injury cases). In general, these cases seek recovery for purported compensatory damages, punitive damages and/or other relief. Since 2016, several bellwether trials of personal injury cases have taken place in the Southern District and in a Texas state court, which is administering a Texas state multi-district litigation. None of these trials resulted in a finding of liability against GM.

Appellate Litigation Regarding Successor Liability Ignition Switch Claims In 2016, the United States Court of Appeals for the Second Circuit held that the 2009 order of the Bankruptcy Court approving the sale of substantially all of the assets of MLC to GM free and clear of, among other things, claims asserting successor liability for obligations owed by MLC (successor liability claims) could not be enforced to bar claims against GM asserted by either plaintiffs who purchased used vehicles after the sale or against purchasers who asserted claims relating to the ignition switch defect, including pre-sale personal injury claims and economic-loss claims.

Contingently Issuable Shares Under the Amended and Restated Master Sale and Purchase Agreement between us and MLC, GM may be obligated to issue Adjustment Shares of our common stock if allowed general unsecured claims against the GUC Trust, as estimated by the Bankruptcy Court, exceed \$35.0 billion. The maximum number of Adjustment Shares issuable is 30 million shares (subject to adjustment to take into account stock dividends, stock splits and other transactions), which amounts to approximately \$1.2 billion based on the GM share price as of January 25, 2019. The GUC Trust stated in public filings that allowed general unsecured claims were approximately \$31.9 billion as of December 31, 2018. In 2016 and 2017 certain personal injury and economic loss plaintiffs filed motions in the Bankruptcy Court's approval of a proposed settlement with certain personal injury and economic loss plaintiffs, approval of a notice relating to that proposed settlement and estimation of alleged personal injury and economic loss late claims for the purpose of obtaining an order requiring GM to issue the maximum number of Adjustment Shares. GM vigorously contested each of these motions.

In September 2018 the Bankruptcy Court denied without prejudice the GUC Trust's motions described above, finding that the settling parties first need to obtain class certification with respect to the economic loss late claims. In February 2019 the GUC Trust and certain plaintiffs filed a motion with the Bankruptcy Court requesting approval of a new settlement to obtain the maximum

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

number of Adjustment Shares. We will assert available and appropriate legal objections to this new settlement. We are unable to estimate any reasonably possible loss or range of loss that may result from this matter.

Government Matters In connection with the 2014 recalls, we have from time to time received subpoenas and other requests for information related to investigations by agencies or other representatives of U.S. federal, state and the Canadian governments. GM is cooperating with all reasonable pending requests for information. Any existing governmental matters or investigations could in the future result in the imposition of damages, fines, civil consent orders, civil and criminal penalties or other remedies.

The total amount accrued for the 2014 recalls at December 31, 2018 reflects amounts for a combination of settled but unpaid matters, and for the remaining unsettled investigations, claims and/or lawsuits relating to the ignition switch recalls and other related recalls to the extent that such matters are probable and can be reasonably estimated. The amounts accrued for those unsettled investigations, claims, and/or lawsuits represent a combination of our best single point estimates where determinable and, where no such single point estimate is determinable, our estimate of the low end of the range of probable loss with regard to such matters, if that is determinable. We will continue to consider resolution of pending matters involving ignition switch recalls and other recalls where it makes sense to do so.

GM Korea Wage Litigation GM Korea is party to litigation with current and former hourly employees in the appellate court and Incheon District Court in Incheon, Korea. The group actions, which in the aggregate involve more than 10,000 employees, allege that GM Korea failed to include bonuses and certain allowances in its calculation of Ordinary Wages due under Korean regulations. In 2012 the Seoul High Court (an intermediate level appellate court) affirmed a decision in one of these group actions involving five GM Korea employees which was contrary to GM Korea's position. GM Korea appealed to the Supreme Court of the Republic of Korea (Supreme Court). In 2014 the Supreme Court largely agreed with GM's legal arguments and remanded the case to the Seoul High Court for consideration consistent with earlier Supreme Court precedent holding that while fixed bonuses should be included in the calculation of Ordinary Wages, claims for retroactive application of this rule would be barred under certain circumstances. In 2015, on reconsideration, the Seoul High Court held in GM Korea's favor, after which the plaintiffs appealed to the Supreme Court. The Supreme Court has not yet rendered a decision. We estimate our reasonably possible loss in excess of amounts accrued to be approximately \$590 million at December 31, 2018. Both the scope of claims asserted and GM Korea's assessment of any or all of the individual claim elements may change if new information becomes available or the legal or regulatory framework change.

GM Korea is also party to litigation with current and former salaried employees over allegations relating to ordinary wages regulation and whether to include fixed bonuses in the calculation of ordinary wages. In 2017, the Seoul High Court held that certain workers are not barred from filing retroactive wage claims. GM Korea appealed this ruling to the Supreme Court. The Supreme Court has not yet rendered a decision. We estimate our reasonably possible loss in excess of amounts accrued to be approximately \$170 million at December 31, 2018. Both the scope of claims asserted and GM Korea's assessment of any or all of the individual claim elements may change if new information becomes available or the legal or regulatory framework change.

GM Korea is also party to litigation with current and former subcontract workers over allegations that they are entitled to the same wages and benefits provided to full-time employees, and to be hired as full-time employees. In May 2018 the Korean labor authorities issued an adverse administrative order finding that GM Korea must hire certain current subcontract workers as full-time employees. GM Korea appealed that order. At December 31, 2018, we recorded an insignificant accrual covering certain asserted claims and claims that we believe are probable of assertion and for which liability is probable. We estimate that the reasonably possible loss in excess of amounts accrued for other current subcontract workers who may assert similar claims to be approximately \$150 million at December 31, 2018. We are currently unable to estimate any possible loss or range of loss that may result from additional claims that may be asserted by former subcontract workers.

GM Brazil Indirect Tax Claim In March 2017, the Supreme Court of Brazil issued a decision concluding that a certain state value added tax should not be included in the calculation of federal gross receipts taxes. The decision reduced GM Brazil's gross receipts tax prospectively and, potentially, retrospectively. The retrospective right to recover is under judicial review, and a decision could be rendered in 2019. If the Judicial Court grants retrospective recovery we estimate potential recoveries of up to \$1.3 billion. However, given the remaining uncertainty regarding the judicial resolution of this matter, we are unable to assess the likelihood of any favorable outcome at this time. We have not recorded any amounts relating to the retrospective nature of this matter.

Other Litigation-Related Liability and Tax Administrative Matters Various other legal actions, including class actions, governmental investigations, claims and proceedings are pending against us or our related companies or joint ventures, including

matters arising out of alleged product defects; employment-related matters; product and workplace safety, vehicle emissions and

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

fuel economy regulations; product warranties; financial services; dealer, supplier and other contractual relationships; government regulations relating to competition issues; tax-related matters not subject to the provision of ASC 740, Income Taxes (indirect tax-related matters); product design, manufacture and performance; consumer protection laws; and environmental protection laws, including laws regulating air emissions, water discharges, waste management and environmental remediation from stationary sources.

There are several putative class actions pending against GM in federal courts in the U.S. and in the Provincial Courts in Canada alleging that various vehicles sold including model year 2011-2016 Duramax Diesel Chevrolet Silverado and GMC Sierra vehicles, violate federal and state emission standards. GM has also faced a series of additional lawsuits based primarily on allegations in the Duramax suit, including putative shareholder class actions claiming violations of federal securities law and a shareholder demand lawsuit. The securities lawsuits have been voluntarily dismissed. At this stage of these proceedings, we are unable to provide an evaluation of the likelihood that a loss will be incurred or an estimate of the amounts or range of possible loss.

We believe that appropriate accruals have been established for losses that are probable and can be reasonably estimated. It is possible that the resolution of one or more of these matters could exceed the amounts accrued in an amount that could be material to our results of operations. We also from time to time receive subpoenas and other inquiries or requests for information from agencies or other representatives of U.S. federal, state and foreign governments on a variety of issues.

Indirect tax-related matters are being litigated globally pertaining to value added taxes, customs, duties, sales, property taxes and other non-income tax related tax exposures. The various non-U.S. labor-related matters include claims from current and former employees related to alleged unpaid wage, benefit, severance and other compensation matters. Certain administrative proceedings are indirect tax-related and may require that we deposit funds in escrow or provide an alternative form of security which may range from \$200 million to \$550 million at December 31, 2018. Some of the matters may involve compensatory, punitive or other treble damage claims, environmental remediation programs or sanctions that, if granted, could require us to pay damages or make other expenditures in amounts that could not be reasonably estimated at December 31, 2018. We believe that appropriate accruals have been established for losses that are probable and can be reasonably estimated. For indirect tax-related matters we estimate our reasonably possible loss in excess of amounts accrued to be up to approximately \$900 million at December 31, 2018.

Takata Matters In May 2016 NHTSA issued an amended consent order requiring Takata to file DIRs for previously unrecalled front airbag inflators that contain phased-stabilized ammonium nitrate-based propellant without a moisture absorbing desiccant on a multi-year, risk-based schedule through 2019 impacting tens of millions of vehicles produced by numerous automotive manufacturers. NHTSA concluded that the likely root cause of the rupturing of the airbag inflators is a function of time, temperature cycling and environmental moisture.

Although we do not believe there is a safety defect at this time in any unrecalled GM vehicles within scope of the Takata DIRs, in cooperation with NHTSA we have filed Preliminary DIRs covering certain of our GMT900 vehicles, which are full-size pickup trucks and SUVs. We have also filed petitions for inconsequentiality with respect to the vehicles subject to those Preliminary DIRs. NHTSA has consolidated our petitions and will rule on them at the same time.

While these petitions have been pending, we have provided NHTSA with the results of our long-term studies and the studies performed by third-party experts, all of which form the basis for our determination that the inflators in these vehicles do not present an unreasonable risk to safety and that no repair should ultimately be required.

We believe these vehicles are currently performing as designed and our inflator aging studies and field data support the belief that the vehicles' unique design and integration mitigates against inflator propellant degradation and rupture risk. For example, the airbag inflators used in the vehicles are a variant engineered specifically for our vehicles, and include features such as greater venting, unique propellant wafer configurations, and machined steel end caps. The inflators are packaged in the instrument panel in such a way as to minimize exposure to moisture from the climate control system. Also, these vehicles have features that minimize the maximum temperature to which the inflator will be exposed, such as larger interior volumes and standard solar absorbing windshields and side glass.

Accordingly, no warranty provision has been made for any repair associated with our vehicles subject to the Preliminary DIRs and amended consent order. However, in the event we are ultimately obligated to repair the vehicles subject to current or future Takata DIRs under the amended consent order in the U.S., we estimate a reasonably possible impact to GM of approximately \$1.2 billion.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

GM has recalled certain vehicles sold outside of the U.S. to replace Takata inflators in those vehicles. There are significant differences in vehicle and inflator design between the relevant vehicles sold internationally and those sold in the U.S. We continue to gather and analyze evidence about these inflators and to share our findings with regulators. Additional recalls, if any, could be material to our results of operations and cash flows. We continue to monitor the international situation.

Through January 25, 2019 we are aware of three putative class actions pending against GM in federal court in the U.S., one putative class action in Mexico and three putative class actions pending in various Provincial Courts in Canada arising out of allegations that airbag inflators manufactured by Takata are defective. At this early stage of these proceedings, we are unable to provide an evaluation of the likelihood that a loss will be incurred or an estimate of the amounts or range of possible loss.

Product Liability With respect to product liability claims (other than claims relating to the ignition switch recalls discussed above) involving our and General Motors Corporation products, we believe that any judgment against us for actual damages will be adequately covered by our recorded accruals and, where applicable, excess liability insurance coverage. We recorded liabilities of \$531 million and \$595 million in Accrued liabilities and Other liabilities at December 31, 2018 and 2017 for the expected cost of all known product liability claims, plus an estimate of the expected cost for product liability claims that have already been incurred and are expected to be filed in the future for which we are self-insured. It is reasonably possible that our accruals for product liability claims may increase in future periods in material amounts, although we cannot estimate a reasonable range of incremental loss based on currently available information.

Guarantees We enter into indemnification agreements for liability claims involving products manufactured primarily by certain joint ventures. These guarantees terminate in years ranging from 2019 to 2029 or upon the occurrence of specific events or are ongoing. We believe that the related potential costs incurred are adequately covered by our recorded accruals, which are insignificant. The maximum future undiscounted payments mainly based on vehicles sold to date was \$2.4 billion and \$1.9 billion for these guarantees at December 31, 2018 and 2017, the majority of which relate to the indemnification agreements.

We provide payment guarantees on commercial loans outstanding with third parties such as dealers. In some instances certain assets of the party or our payables to the party whose debt or performance we have guaranteed may offset, to some degree, the amount of any potential future payments. We are also exposed to residual value guarantees associated with certain sales to rental car companies.

We periodically enter into agreements that incorporate indemnification provisions in the normal course of business. It is not possible to estimate our maximum exposure under these indemnifications or guarantees due to the conditional nature of these obligations. Insignificant amounts have been recorded for such obligations as the majority of them are not probable or estimable at this time and the fair value of the guarantees at issuance was insignificant. Refer to Note 22 for additional information on our indemnification obligations to PSA Group under the Agreement.

Credit Cards Credit card programs offer rebates that can be applied primarily against the purchase or lease of our vehicles. At December 31, 2018 and 2017 our redemption liability was insignificant, our deferred revenue was \$247 million and \$283 million, and qualified cardholders had rebates available, net of deferred program revenue, of \$1.4 billion and \$1.5 billion. Our redemption liability and deferred revenue are recorded in Accrued liabilities and Other liabilities.

Noncancelable Operating Leases The following table summarizes our minimum commitments under noncancelable operating leases having initial terms in excess of one year, primarily for property:

| | 2 | 2019 | 2020 | 2021 | 2022 | 2023 | Th | ereafter | Total |
|-------------------------|----|------|-----------|-----------|-----------|-----------|----|----------|----------|
| Minimum commitments(a) | \$ | 296 | \$ 286 | \$ 247 | \$ 180 | \$ 146 | \$ | 582 | \$ 1,737 |
| Sublease income | | (61) | (51) | (44) | (38) | (33) | | (129) | (356) |
| Net minimum commitments | \$ | 235 | \$ 235 | \$ 203 | \$ 142 | \$ 113 | \$ | 453 | \$ 1,381 |

⁽a) Certain leases contain escalation clauses and renewal or purchase options.

Rental expense under operating leases was \$300 million, \$284 million and \$270 million in the years ended December 31, 2018, 2017 and 2016.

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| | Years Ended December 31, | | | | | | | | |
|--|--------------------------|--|--------|---|-------|---|--|--|--|
| | | 2018 | | 2017 | | 2016 | | | |
| U.S. income | \$ | 4,433 | \$ | 8,399 | \$ | 9,989 | | | |
| Non-U.S. income (loss) | | 1,953 | | 1,332 | | (263) | | | |
| Income before income taxes and equity income | \$ 6,386 | | \$ | 9,731 | \$ | 9,726 | | | |
| | | Yea | ırs En | ded Decembe | r 31, | | | | |
| | | 2018 | | 2017 | | 2016 | | | |
| Current income tax expense (benefit) | | | | | | | | | |
| U.S. federal | \$ | (104) | \$ | 18 | \$ | (126) | | | |
| U.S. state and local | | 113 | | 83 | | 65 | | | |
| Non-U.S. | | 577 | | 552 | | 572 | | | |
| Total current income tax expense | | 586 | | 653 | | 511 | | | |
| Deferred income tax expense (benefit) | | | | | | | | | |
| U.S. federal | | (578) | | 7,831 | | 1,865 | | | |
| U.S. state and local | | 250 | | (187) | | 264 | | | |
| Non-U.S. | | 216 | | 3,236 | | 99 | | | |
| Total deferred income tax expense (benefit) | | (112) | | 10,880 | | 2,228 | | | |
| Total income tax expense | \$ | 474 | \$ | 11,533 | \$ | 2,739 | | | |
| U.S. federal U.S. state and local Non-U.S. Total current income tax expense Deferred income tax expense (benefit) U.S. federal U.S. state and local Non-U.S. Total deferred income tax expense (benefit) | \$ | (104) 113 577 586 (578) 250 216 (112) | \$ | 18 83 552 653 7,831 (187) 3,236 10,880 | | \$ 9,726 \$ 11, \$ (126) 65 572 511 1,865 264 99 2,228 | | | |

Provisions are made for estimated U.S. and non-U.S. income taxes which may be incurred on the reversal of our basis differences in investments in foreign subsidiaries and corporate joint ventures not deemed to be indefinitely reinvested. Taxes have not been provided on basis differences in investments primarily as a result of earnings in foreign subsidiaries which are deemed indefinitely reinvested of \$2.9 billion and \$2.8 billion at December 31, 2018 and 2017. Additional basis differences related to investments in nonconsolidated China JVs exist of \$4.1 billion at December 31, 2018 and 2017 as a result of fresh-start reporting. Quantification of the deferred tax liability, if any, associated with indefinitely reinvested basis differences is not practicable.

| | Years Ended December 31, | | | | | | | | | |
|---|--------------------------|-------|----|--------|----|-------|--|--|--|--|
| | | 2018 | | 2017 | | 2016 | | | | |
| Income tax expense at U.S. federal statutory income tax rate | \$ | 1,341 | \$ | 3,406 | \$ | 3,404 | | | | |
| State and local tax expense | | 282 | | (76) | | 190 | | | | |
| Non-U.S. income taxed at other than the U.S. federal statutory tax rate | | 90 | | (145) | | (61) | | | | |
| U.S. tax impact on Non-U.S. income | | (822) | | (941) | | (894) | | | | |
| Change in valuation allowances | | 1,695 | | 2,712 | | 237 | | | | |
| Change in tax laws | | (134) | | 7,194 | | 147 | | | | |
| General business credits and manufacturing incentives | | (695) | | (428) | | (342) | | | | |
| Capital loss expiration | | 107 | | _ | | _ | | | | |
| Settlements of prior year tax matters | | (188) | | (256) | | (46) | | | | |
| Realization of basis differences in affiliates | | (59) | | _ | | (94) | | | | |
| German statutory approval of net operating losses | | (990) | | _ | | _ | | | | |
| Other adjustments | | (153) | | 67 | | 198 | | | | |
| Total income tax expense | \$ | 474 | \$ | 11,533 | \$ | 2,739 | | | | |

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

Deferred Income Tax Assets and Liabilities Deferred income tax assets and liabilities at December 31, 2018 and 2017 reflect the effect of temporary differences between amounts of assets, liabilities and equity for financial reporting purposes and the bases of such assets, liabilities and equity as measured based on tax laws, as well as tax loss and tax credit carryforwards. The following table summarizes the components of temporary differences and carryforwards that give rise to deferred tax assets and liabilities:

| | December 31, 2018 | | | December 31, 2017 | | |
|--|-------------------|---------|----|-------------------|--|--|
| Deferred tax assets | | | | | | |
| Postretirement benefits other than pensions | \$ | 1,584 | \$ | 1,948 | | |
| Pension and other employee benefit plans | | 3,020 | | 3,285 | | |
| Warranties, dealer and customer allowances, claims and discounts | | 6,307 | | 5,675 | | |
| U.S. capitalized research expenditures | | 5,176 | | 4,413 | | |
| U.S. operating loss and tax credit carryforwards(a) | | 8,591 | | 8,578 | | |
| Non-U.S. operating loss and tax credit carryforwards(b) | | 6,393 | | 5,103 | | |
| Miscellaneous | | 2,034 | | 1,697 | | |
| Total deferred tax assets before valuation allowances | | 33,105 | | 30,699 | | |
| Less: valuation allowances | | (7,976) | | (6,690) | | |
| Total deferred tax assets | | 25,129 | | 24,009 | | |
| Deferred tax liabilities | | | | | | |
| Property, plant and equipment | | 1,098 | | 418 | | |
| Intangible assets | | 729 | | 735 | | |
| Total deferred tax liabilities | | 1,827 | | 1,153 | | |
| Net deferred tax assets | \$ | 23,302 | \$ | 22,856 | | |

⁽a) At December 31, 2018 U.S. operating loss and tax credit carryforwards of \$8.6 billion expire through 2038 if not utilized.

Valuation Allowances We have \$3.3 billion of net operating loss carryforwards in Germany that, as a result of reorganizations that took place in 2008 and 2009 and then existing German Law, were not previously recorded as deferred tax assets. In the three months ended December 31, 2018 a favorable European court decision was statutorily approved in Germany enabling use of those loss carryforwards. As a result, in the three months ended December 31, 2018 deferred tax assets totaling \$1.0 billion were established for the loss carryfowards; offsetting valuation allowances were also established as the deferred tax assets are not more likely than not to be realized. During the year ended December 31, 2018 valuation allowances against deferred tax assets of \$8.0 billion were comprised of cumulative losses, credits and other timing differences, primarily in Germany, Spain and South Korea.

During the year ended December 31, 2017 there was a \$2.3 billion increase in the valuation allowance related to deferred tax assets that are no longer realizable as a result of the sale of the Opel/Vauxhall Business as described in Note 22. At December 31, 2017 valuation allowances against deferred tax assets of \$6.7 billion were comprised of cumulative losses, credits and other timing differences, primarily in Germany, Spain and South Korea.

⁽b) At December 31, 2018 Non-U.S. operating loss and tax credit carryforwards of \$1.2 billion expire through 2037 if not utilized and the remaining balance of \$5.2 billion may be carried forward indefinitely.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

Uncertain Tax Positions The following table summarizes activity of the total amounts of unrecognized tax benefits:

| | Years Ended December 31, | | | | | | | | | |
|---|--------------------------|-------|----|-------|----|-------|--|--|--|--|
| | | 2018 | | 2017 | | 2016 | | | | |
| Balance at beginning of period | \$ | 1,557 | \$ | 1,182 | \$ | 1,337 | | | | |
| Additions to current year tax positions | | 292 | | 160 | | 49 | | | | |
| Additions to prior years' tax positions | | 264 | | 448 | | 96 | | | | |
| Reductions to prior years' tax positions | | (244) | | (195) | | (192) | | | | |
| Reductions in tax positions due to lapse of statutory limitations | | (38) | | (44) | | (103) | | | | |
| Settlements | | (450) | | (11) | | (1) | | | | |
| Other | | (40) | | 17 | | (4) | | | | |
| Balance at end of period | \$ | 1,341 | \$ | 1,557 | \$ | 1,182 | | | | |

At December 31, 2018 and 2017 there were \$991 million and \$390 million of unrecognized tax benefits that if recognized would favorably affect our effective tax rate in the future. In the years ended December 31, 2018, 2017 and 2016 income tax related interest and penalties were insignificant. At December 31, 2018 and 2017 we had liabilities of \$116 million and \$152 million for income tax related interest and penalties.

At December 31, 2018 it is not possible to reasonably estimate the expected change to the total amount of unrecognized tax benefits in the next twelve months.

Other Matters Income tax returns are filed in multiple jurisdictions and are subject to examination by taxing authorities throughout the world. We have open tax years from 2008 to 2018 with various significant tax jurisdictions. Tax authorities may have the ability to review and adjust net operating loss or tax credit carryforwards that were generated prior to these periods if utilized in an open tax year. These open years contain matters that could be subject to differing interpretations of applicable tax laws and regulations as they relate to the amount, character, timing or inclusion of revenue and expenses or the sustainability of income tax credits for a given audit cycle.

The Tax Act was signed into law on December 22, 2017. The Tax Act changed many aspects of U.S. corporate income taxation and included reduction of the corporate income tax rate from 35% to 21%, implementation of a territorial tax system and imposition of a tax on deemed repatriated earnings of foreign subsidiaries. We recognized the tax effects of the Tax Act in the year ended December 31, 2017 and recorded \$7.3 billion in tax expense. The tax expense relates primarily to the remeasurement of deferred tax assets to the 21% tax rate. We applied the guidance in SAB 118 when accounting for the enactment-date effects of the Tax Act in 2017 and throughout 2018. At December 31, 2018, we have now completed our accounting for all the enactment-date income tax effects of the Tax Act. We reduced our year ended December 31, 2017 estimated tax expense of \$7.3 billion to \$7.1 billion, primarily related to the remeasurement of deferred tax assets to the 21% tax rate.

The Tax Act subjects a U.S. shareholder to tax on Global Intangible Low Tax Income (GILTI) earned by certain foreign subsidiaries. The FASB Staff Q&A Topic 740, No. 5 "Accounting for Global Intangible Low-Taxed Income," states that an entity can make an accounting policy election to either recognize deferred taxes for temporary basis differences expected to reverse as GILTI in future years or to provide for the tax expense related to GILTI in the year the tax is incurred as a period expense only. We have elected to account for GILTI as a current period expense when incurred.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

Note 18. Restructuring and Other Initiatives

We have and continue to execute various restructuring and other initiatives and we may execute additional initiatives in the future, if necessary, to streamline manufacturing capacity and other costs to improve the utilization of remaining facilities. To the extent these programs involve voluntary separations, a liability is generally recorded at the time offers to employees are accepted. To the extent these programs provide separation benefits in accordance with pre-existing agreements, a liability is recorded once the amount is probable and reasonably estimable. If employees are involuntarily terminated, a liability is generally recorded at the communication date. Related charges are recorded in Automotive and other cost of sales and Automotive and other selling, general and administrative expense. The following table summarizes the reserves and charges related to restructuring and other initiatives, including postemployment benefit reserves and charges:

| | Years Ended December 31, | | | | | | | | |
|---|--------------------------|-------|----|-------|------|-------|--|--|--|
| | | 2018 | | 2017 | 2016 | | | | |
| Balance at beginning of period | \$ | 227 | \$ | 268 | \$ | 383 | | | |
| Additions, interest accretion and other | | 1,637 | | 330 | | 412 | | | |
| Payments | | (600) | | (315) | | (490) | | | |
| Revisions to estimates and effect of foreign currency | | (142) | | (56) | | (37) | | | |
| Balance at end of period | \$ | 1,122 | \$ | 227 | \$ | 268 | | | |
| | | | | | | | | | |

In the year ended December 31, 2018 restructuring and other initiatives in GMNA primarily included actions related to the unallocation of products to certain manufacturing facilities in 2019 and other employee separation programs. We recorded charges of \$1.2 billion in GMNA in the year ended December 31, 2018 consisting of \$941 million in employee separation and other charges, which are reflected in the table above, and \$301 million primarily in non-cash accelerated depreciation, not reflected in the table above. We expect to incur additional restructuring and other charges in 2019 that range between \$1.5 billion to \$2.0 billion, primarily related to accelerated depreciation, supplier-related charges, and employee-related separation charges. We expect cash outflows related to these activities of approximately \$1.5 billion by the end of 2020.

In the year ended December 31, 2018 restructuring and other initiatives in GMI primarily included the closure of a facility and other restructuring actions in Korea and employee separation programs. We recorded charges of \$1.0 billion related to Korea, net of noncontrolling interests. These charges consisted of \$537 million in non-cash asset impairments and other charges, not reflected in the table above, and \$495 million in employee separation charges, which are reflected in the table above. We incurred \$775 million in cash outflows resulting from Korea restructuring actions, primarily for employee separations and statutory pension payments. In GMI we expect to incur between \$200 million and \$300 million in additional employee separation and other charges in 2019, and we expect cash outflows related to previously announced restructuring activities of approximately \$300 million in 2019.

In the year ended December 31, 2017 restructuring and other initiatives primarily included restructuring actions announced in the three months ended June 30, 2017 in GMI. These actions related primarily to the withdrawal of Chevrolet from the Indian and South African markets at the end of 2017 and the transition of our South Africa manufacturing operations to Isuzu Motors. We continue to manufacture vehicles in India for sale to certain export markets. We recorded charges of \$460 million in GMI primarily consisting of \$297 million of asset impairments, sales incentives, inventory provisions and other charges, not reflected in the table above, and \$163 million of dealer restructurings, employee separations and other contract cancellation costs, which are reflected in the table above. We completed these programs in GMI in 2017. Other GMI restructuring programs reflected in the table above include separation and other programs in Australia, Korea and India and the withdrawal of the Chevrolet brand from Europe. Collectively, these programs had a total cost of \$892 million since inception in 2013 through the completion of the programs in the year ended December 31, 2017.

In the year ended December 31, 2016 restructuring and other initiatives related primarily to charges of \$240 million in the three months ended March 31, 2016 in GMNA related to the cash severance incentive program to qualified U.S. hourly employees under our 2015 labor agreement with the UAW and insignificant costs for separation and other programs in Australia, Korea and India and the withdrawal of Chevrolet brand from Europe.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

Note 19. Interest Income and Other Non-Operating Income

| | Years Ended December 31, | | | | | | | | | |
|---|--------------------------|-------|----|-------|----|-------|--|--|--|--|
| | 2018 | | | 2017 | | 2016 | | | | |
| Non-service pension and OPEB income | \$ | 1,665 | \$ | 1,316 | \$ | 1,262 | | | | |
| Interest income | | 335 | | 266 | | 182 | | | | |
| Licensing agreements income | | 296 | | 74 | | 94 | | | | |
| Revaluation of investments | | 258 | | (56) | | _ | | | | |
| Other | | 42 | | 45 | | 65 | | | | |
| Total interest income and other non-operating income, net | \$ | 2,596 | \$ | 1,645 | \$ | 1,603 | | | | |

Note 20. Stockholders' Equity and Noncontrolling Interests

Preferred and Common Stock We have 2.0 billion shares of preferred stock and 5.0 billion shares of common stock authorized for issuance. At December 31, 2018 and 2017 we had 1.4 billion shares of common stock issued and outstanding.

Common Stock Holders of our common stock are entitled to dividends at the sole discretion of our Board of Directors. Our dividends declared per common share were \$1.52 and our total dividends paid on common stock were \$2.1 billion, \$2.2 billion and \$2.3 billion for the years ended December 31, 2018, 2017 and 2016. Holders of common stock are entitled to one vote per share on all matters submitted to our stockholders for a vote. The liquidation rights of holders of our common stock are secondary to the payment or provision for payment of all our debts and liabilities and to holders of our preferred stock, if any such shares are then outstanding.

In the years ended December 31, 2018, 2017 and 2016 we purchased three million, 120 million and 77 million shares of our outstanding common stock for \$100 million, \$4.5 billion and \$2.5 billion as part of the common stock repurchase program announced in March 2015, which our Board of Directors increased and extended in January 2016 and January 2017.

Warrants At December 31, 2017 we had 22 million warrants outstanding that we issued in July 2009. The warrants are exercisable at any time prior to July 10, 2019 at an exercise price of \$18.33 per share. We had 15 million warrants outstanding at December 31, 2018.

GM Financial Preferred Stock In September 2018 GM Financial issued \$500 million of Fixed-to-Floating Rate Cumulative Perpetual Preferred Stock, Series B, \$0.01 par value, with a liquidation preference of \$1,000 per share. The preferred stock is classified as noncontrolling interests in our consolidated financial statements. Dividends will be paid semi-annually when declared starting March 30, 2019 at a fixed rate of 6.50%.

In September 2017 GM Financial issued \$1.0 billion of Fixed-to-Floating Rate Cumulative Perpetual Preferred Stock, Series A, \$0.01 par value, with a liquidation preference of \$1,000 per share. The preferred stock is classified as noncontrolling interests in our consolidated financial statements. Dividends are paid semi-annually when declared, which started March 30, 2018 at a fixed rate of 5.75%.

GM Cruise Preferred Shares On May 31, 2018, we entered into a Purchase Agreement with The Vision Fund. The Vision Fund subsequently assigned its rights and obligations under the Purchase Agreement to SoftBank. In June 2018, at the closing of the transactions contemplated by the Purchase Agreement, GM Cruise Holdings, our subsidiary, issued \$900 million of GM Cruise Preferred Shares to SoftBank, representing 10.9% of GM Cruise Holdings' equity at closing. Immediately prior to the issuance of the GM Cruise Preferred Shares, we invested \$1.1 billion in GM Cruise Holdings. When GM Cruise's autonomous vehicles are ready for commercial deployment, SoftBank is obligated to purchase additional GM Cruise Preferred Shares for \$1.35 billion, subject to regulatory approval, after which the GM Cruise Preferred Shares will represent 18.6% of GM Cruise Holdings' equity. All proceeds are designated exclusively for working capital and general corporate purposes of GM Cruise. Dividends are cumulative and accrue at an annual rate of 7% and are payable quarterly in cash or in-kind, at GM Cruise's discretion. The GM Cruise Preferred Shares are also entitled to participate in GM Cruise dividends above a defined threshold. Prior to an initial public offering, SoftBank is restricted from transferring the GM Cruise Preferred Shares until June 28, 2025.

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GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

The GM Cruise Preferred Shares are convertible into common stock of GM Cruise Holdings, at specified exchange ratios, at the option of SoftBank or upon occurrence of an initial public offering. The GM Cruise Preferred Shares are entitled to receive the greater of their carrying value or a pro-rata share of any proceeds or distributions upon the occurrence of a merger, sale, liquidation, or dissolution of GM Cruise Holdings. Beginning on June 28, 2025, SoftBank has the option to convert all of the GM Cruise Preferred Shares into our common stock at a conversion ratio that is indexed to the fair value of GM Cruise Holdings at the time of conversion. We have the option to settle the conversion feature with our common shares or cash, and in certain situations with nonredeemable, nonconvertible preferred shares. Beginning on June 28, 2025, we can call all, but not less than all of the GM Cruise Preferred Shares held by SoftBank at an amount equal to the greater of the original investment amount plus accrued distributions paid in-kind and the fair value of GM Cruise Holdings at the time of conversion. The GM Cruise Preferred Shares are classified as noncontrolling interests in our consolidated financial statements.

GM Cruise Common Shares In October 2018, GM Cruise Holdings entered into a Purchase Agreement with Honda, pursuant to which Honda invested \$750 million in GM Cruise Holdings in exchange for Class E Common Shares, representing 5.7% of the fully diluted equity of GM Cruise Holdings at closing. In addition, Honda agreed to contribute approximately \$2.0 billion primarily in the form of a long-term annual fee to GM Cruise Holdings for certain rights to use GM Cruise Holdings' trade names and trademarks and the exclusive right to partner with GM Cruise Holdings to develop, deploy, and maintain a foreign market. The remaining contribution or funding will come in the form of shared development costs for a SAV that Honda, General Motors Holdings LLC and GM Cruise Holdings will jointly develop for deployment onto GM Cruise's autonomous vehicle network. All proceeds are designated exclusively for working capital and general corporate purposes of GM Cruise. At the later of October 3, 2025 or the termination of the commercial agreements between GM Cruise Holdings and Honda, GM Cruise Holdings can call all, but not less than all of the Class E Common Shares at an amount equal to the then fair value of GM Cruise Holdings. The Class E Common Shares are classified as noncontrolling interests in our consolidated financial statements.

GM Korea Preferred Shares In the year ended December 31, 2018 KDB purchased \$720 million of GM Korea Preferred Shares. Dividends on the GM Korea Preferred Shares are cumulative and accrue at an annual rate of 1%. GM Korea can call the preferred shares at their original issue price six years from the date of issuance and once called, the preferred shares can be converted into common shares of GM Korea at the option of the holder. The GM Korea Preferred Shares are classified as noncontrolling interests in our consolidated financial statements. The KDB investment proceeds can only be used for purposes of funding capital expenditures in GM Korea. In conjunction with the GM Korea Preferred Share issuance we agreed to provide GM Korea future funding, if needed, not to exceed \$2.8 billion through December 31, 2027, inclusive of \$2.0 billion of planned capital expenditures through 2027.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

The following table summarizes the significant components of Accumulated other comprehensive loss:

| | Years Ended December 31, | | | | | | | |
|---|--------------------------|------------|----|---------|----|---------|--|--|
| | | 2018 | | 2017 | | 2016 | | |
| Foreign Currency Translation Adjustments | | | | _ | | | | |
| Balance at beginning of period | \$ | (1,606) | \$ | (2,355) | \$ | (2,034) | | |
| Other comprehensive income (loss) and noncontrolling interests before reclassification adjustment, net of tax and impact of adoption of accounting standards(a)(b)(c) | | (664) | | 560 | | (317) | | |
| Reclassification adjustment, net of tax(a) | | 20 | | 189 | | (4) | | |
| Other comprehensive income (loss), net of tax(a) | | (644) | | 749 | | (321) | | |
| Balance at end of period | \$ | \$ (2,250) | | (1,606) | \$ | (2,355) | | |
| Defined Benefit Plans | | | | | | | | |
| Balance at beginning of period | \$ | (6,398) | \$ | (6,968) | \$ | (5,999) | | |
| Other comprehensive loss and noncontrolling interests before reclassification adjustment, net of impact of adoption of accounting $standards(b)(c)$ | | (580) | | (798) | | (1,546) | | |
| Tax benefit | | 100 | | 98 | | 459 | | |
| Other comprehensive loss and noncontrolling interests before reclassification adjustment, net of tax and impact of adoption of accounting standards(b)(c) | | (480) | | (700) | | (1,087) | | |
| Reclassification adjustment, net of tax(a)(d) | | 141 | | 1,270 | | 118 | | |
| Other comprehensive income (loss), net of tax | | (339) | | 570 | | (969) | | |
| Balance at end of period(e) | \$ | (6,737) | \$ | (6,398) | \$ | (6,968) | | |
| | | | | | | | | |

⁽a) The income tax effect was insignificant in the years ended December 31, 2018, 2017 and 2016.

Note 21. Earnings Per Share

Basic and diluted earnings (loss) per share are computed by dividing Net income (loss) attributable to common stockholders by the weighted-average common shares outstanding in the period. Diluted earnings (loss) per share is computed by giving effect to all potentially dilutive securities that are outstanding.

⁽b) The noncontrolling interests are insignificant in the years ended December 31, 2018, 2017 and 2016.

⁽c) Refer to Note 2 for additional information on adoption of accounting standards in 2018.

⁽d) \$1.2 billion is included in the loss on sale of the Opel/Vauxhall Business in the year ended December 31, 2017. An insignificant amount is included in the computation of periodic pension and OPEB (income) expense in the years ended December 31, 2018, 2017 and 2016.

⁽e) Consists primarily of unamortized actuarial loss on our defined benefit plans. Refer to the critical accounting estimates section of our MD&A for additional information.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

| | Years Ended December 31, | | | | | | | | |
|--|--------------------------|-------|----|---------|----|-------|--|--|--|
| | | 2018 | | 2017 | | 2016 | | | |
| Basic earnings per share | | | | | | | | | |
| Income from continuing operations(a) | \$ | 8,084 | \$ | 348 | \$ | 9,428 | | | |
| Less: cumulative dividends on subsidiary preferred stock | | (98) | | (16) | | _ | | | |
| Income from continuing operations attributable to common stockholders | | 7,986 | | 332 | | 9,428 | | | |
| Loss from discontinued operations, net of tax | | 70 | | 4,212 | | 1 | | | |
| Net income (loss) attributable to common stockholders | \$ | 7,916 | \$ | (3,880) | \$ | 9,427 | | | |
| Weighted-average common shares outstanding | | 1,411 | | 1,465 | | 1,540 | | | |
| Basic earnings per common share – continuing operations | \$ | 5.66 | \$ | 0.23 | \$ | 6.12 | | | |
| Basic loss per common share – discontinued operations | \$ | 0.05 | \$ | 2.88 | \$ | _ | | | |
| Basic earnings (loss) per common share | \$ | 5.61 | \$ | (2.65) | \$ | 6.12 | | | |
| Diluted earnings per share | | | | | | | | | |
| Income from continuing operations attributable to common stockholders – diluted(a) | \$ | 7,986 | \$ | 332 | \$ | 9,428 | | | |
| Loss from discontinued operations, net of tax – diluted | \$ | 70 | \$ | 4,212 | \$ | 1 | | | |
| Net income (loss) attributable to common stockholders – diluted | \$ | 7,916 | \$ | (3,880) | \$ | 9,427 | | | |
| Weighted-average common shares outstanding – basic | | 1,411 | | 1,465 | | 1,540 | | | |
| Dilutive effect of warrants and awards under stock incentive plans | | 20 | | 27 | | 30 | | | |
| Weighted-average common shares outstanding – diluted | | 1,431 | | 1,492 | | 1,570 | | | |
| Diluted earnings per common share – continuing operations | \$ | 5.58 | \$ | 0.22 | \$ | 6.00 | | | |
| Diluted loss per common share – discontinued operations | \$ | 0.05 | \$ | 2.82 | \$ | _ | | | |
| Diluted earnings (loss) per common share | \$ | 5.53 | \$ | (2.60) | \$ | 6.00 | | | |
| Potentially dilutive securities(b) | | 9 | | _ | | _ | | | |

⁽a) Net of Net loss attributable to noncontrolling interests.

Note 22. Discontinued Operations

On March 5, 2017 we entered into the Master Agreement to sell our European Business to PSA Group. On July 31, 2017 we closed the sale of our Opel/Vauxhall Business to PSA Group and on October 31, 2017 we closed the sale of the Fincos to Banque PSA Finance S.A. and BNP Paribas Personal Finance S.A. The net consideration paid at closing for the European Business was \$2.5 billion, consisting of (1) \$2.2 billion in cash; and (2) \$808 million in warrants in PSA Group; partially offset by (3) a \$455 million de-risking premium payment made to PSA Group for assuming certain underfunded pension liabilities. The warrants are not exercisable for five years from closing.

The total charge from the sale of the European Business during the year ended December 31, 2017 was \$6.2 billion, net of tax, of which \$3.9 billion was recorded in Loss from discontinued operations, net of tax, and \$2.3 billion was recorded in Income tax expense. The charge related to: (1) \$4.3 billion of deferred tax assets that will no longer be realizable or that transferred to PSA Group; (2) \$1.5 billion related to previously deferred pension losses and payment of the de-risking premium to PSA Group for its assumption of certain underfunded pension liabilities; (3) a pre-tax disposal loss of \$525 million as a result of the sale of the Fincos, which included the

⁽b) Potentially dilutive securities attributable to outstanding stock options and RSUs were excluded from the computation of diluted EPS because the securities would have had an antidilutive effect.

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recognition of \$197 million of foreign currency translation losses, (4) a pre-tax charge of \$421 million for the cancellation of production programs resulting from the convergence of vehicle platforms between our European Business and PSA Group; and (5) other insignificant costs to support the separation of operations provided for a period of time following closing; partially offset by proceeds.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

We retained net underfunded pension liabilities of \$6.8 billion owed primarily to current pensioners and former employees of the European Business with vested pension rights. PSA Group assumed, pursuant to the Agreement, approximately \$3.1 billion of net underfunded pension liabilities primarily with respect to active employees of the Opel/Vauxhall Business, and during the year ended December 31, 2017 our wholly owned subsidiary (the Seller) made payments to PSA Group, or one or more pension funding vehicles, of \$3.4 billion in respect of these assumed liabilities, which included pension funding payments for active employees and the derisking premium payment of \$455 million discussed above.

The Seller agreed to indemnify PSA Group for certain losses resulting from any inaccuracy of the representations and warranties or breaches of our covenants included in the Agreement and for certain other liabilities including certain emissions and product liabilities. The Company entered into a guarantee for the benefit of PSA Group and pursuant to which the Company agreed to guarantee the Seller's obligation to indemnify PSA Group. Certain of these indemnification obligations are subject to time limitations, thresholds and/or caps as to the amount of required payments.

Although the sale reduced our new vehicle presence in Europe, we may still be impacted by actions taken by regulators related to vehicles sold before the sale. In Germany, the Kraftfahrt-Bundesamt (KBA) issued an order in October 2018 converting Opel's existing voluntary recall of certain vehicles into a mandatory recall for allegedly failing to comply with certain emissions regulations. In addition, at the KBA's request, the German authorities recently re-opened a separate criminal investigation that had previously been closed with no action. Opel is challenging the mandatory recall order of the KBA in court on the grounds that the emission control systems contained in the subject vehicles, have at all times complied with the regulations in place when the vehicles were manufactured, tested, approved and sold.

Opel voluntarily recalled and serviced many of these vehicles between 2017 and 2018 at its own expense, and this expense should not be transferred to the Seller because it was undertaken voluntarily by Opel and accounted for at the time of the sale. However, the Seller may be obligated to indemnify PSA Group for certain additional expenses resulting from any mandatory recall that is actually implemented, including potential litigation costs, settlements, judgments and potential fines. We are unable to estimate any reasonably possible loss or range of loss that may result from this matter.

We continue to purchase from and supply to PSA Group certain vehicles for a period of time following closing. Total net sales and revenue of \$1.9 billion and \$853 million and purchases and expenses of \$1.4 billion and \$218 million related to transactions with the Opel/Vauxhall Business were included in continuing operations during the years ended December 31, 2018 and 2017. Cash payments of \$1.8 billion and \$242 million and cash receipts of \$2.3 billion and \$1.2 billion were recorded in Net cash provided by (used in) operating activities - continuing operations related to transactions with the Opel/Vauxhall Business during the years ended December 31, 2018 and 2017.

The following table summarizes the results of the European Business operations:

| | Years Ended December 31, | | | | | | | | | |
|---|--------------------------|----|----|--------|----|--------|--|--|--|--|
| | 201 | 8 | | 2017 | | 2016 | | | | |
| Automotive net sales and revenue | \$ | | \$ | 11,257 | \$ | 19,704 | | | | |
| GM Financial net sales and revenue | | _ | | 466 | | 552 | | | | |
| Total net sales and revenue | | | | 11,723 | | 20,256 | | | | |
| Automotive and other cost of sales | | | | 11,049 | | 18,894 | | | | |
| GM Financial interest, operating and other expenses | | _ | | 342 | | 423 | | | | |
| Automotive and other selling, general, and administrative expense | | _ | | 813 | | 1,356 | | | | |
| Other income (expense) items | | _ | | (72) | | 93 | | | | |
| Loss from discontinued operations before taxes | | | | 553 | | 324 | | | | |
| Loss on sale of discontinued operations before taxes(a)(b) | | 70 | | 2,176 | | _ | | | | |
| Total loss from discontinued operations before taxes | | 70 | | 2,729 | | 324 | | | | |
| Income tax expense (benefit)(b)(c) | | _ | | 1,483 | | (323) | | | | |
| Loss from discontinued operations, net of tax | \$ | 70 | \$ | 4,212 | \$ | 1 | | | | |

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- (a) Includes contract cancellation charges associated with the disposal farehe year ended December 31, 2017.
- (b) Total loss on sale of discontinued operations, net of tax was \$3.9 billion for the year ended December 31, 2017.
- (c) Includes \$2.0 billion of deferred tax assets that transferred to PSA Group in the year ended December 31, 2017.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

Note 23. Stock Incentive Plans

GM Stock Incentive Awards

We grant to certain employees RSUs, RSAs, PSUs and stock options (collectively, stock incentive awards) under our 2016 Equity Incentive Plan and 2017 Long-Term Incentive Plan (LTIP) and prior to the 2017 LTIP, under our 2014 LTIP. The 2017 LTIP was approved by stockholders in June 2017 and replaced the 2014 LTIP. Shares awarded under the plans are subject to forfeiture if the participant leaves the company for reasons other than those permitted under the plans such as retirement, death or disability.

RSU awards granted either cliff vest or ratably vest generally over a three-year service period, as defined in the terms of each award. PSU awards vest at the end of a three-year performance period, based on performance criteria determined by the Executive Compensation Committee of the Board of Directors at the time of award. The number of shares earned may equal, exceed or be less than the targeted number of shares depending on whether the performance criteria are met, surpassed or not met. Stock options expire 10 years from the grant date. Our performance-based stock options vest ratably over 55 months based on the performance of our common stock relative to that of a specified peer group. Our service-based stock options vest ratably over 19 months to three years.

In connection with our acquisition of Cruise Automation, Inc. in May 2016, RSAs and PSUs in common shares of GM were granted to employees of GM Cruise Holdings. The RSAs vest ratably, generally over a three-year service period. The PSUs are contingent upon achievement of specific technology and commercialization milestones.

| | Shares (in millions) | eighted-Average nt Date Fair Value | Weighted-Average Remaining Contractual Term in Years |
|---|-------------------------|---------------------------------------|--|
| Units outstanding at January 1, 2018 | 52.9 | \$ 21.75 | 2.0 |
| Granted | 13.7 | \$ 30.41 | |
| Settled | (10.2) | \$ 30.23 | |
| Forfeited or expired | (8.3) | \$ 29.51 | |
| Units outstanding at December 31, 2018(a) | 48.1 | \$ 19.81 | 1.3 |

⁽a) Includes the target amount of PSUs.

Our weighted-average assumptions used to value our stock options are a dividend yield of 3.69% and 4.43%, expected volatility of 28.0% and 25.0%, a risk-free interest rate of 2.73% and 1.97%, and an expected option life of 5.98 and 5.84 years for options issued during the years ended December 31, 2018 and 2017. There were no stock options issued during the year ended December 31, 2016.

Total compensation expense related to the above awards was \$316 million, \$585 million and \$627 million in the years ended December 31, 2018, 2017 and 2016.

At December 31, 2018 the total unrecognized compensation expense for nonvested equity awards granted was \$208 million. This expense is expected to be recorded over a weighted-average period of 1.3 years. The total fair value of stock incentive awards vested was \$317 million, \$421 million and \$325 million in the years ended December 31, 2018, 2017 and 2016.

GM Cruise Stock Incentive Awards

In addition to the awards noted above, stock options and RSUs were granted to GM Cruise employees in common shares of GM Cruise Holdings in the year ended December 31, 2018. These awards were granted under the 2018 Employee Incentive Plan approved by GM Cruise Holdings' Board of Directors in August 2018. Shares awarded under the plan are subject to forfeiture if the participant leaves the company for reasons other than those permitted under the plan. There were no awards granted in GM Cruise common shares for the years ended December 31, 2017 and December 31, 2016. Stock options vest ratably over four to 10 years, as defined in the terms of each award. Stock options expire 10 years from the grant date. RSU awards granted vest upon the satisfaction of both a service condition and a liquidity condition. The service condition for the majority of these awards is

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

satisfied over four years. The liquidity condition is satisfied upon the earlier of the date of a change in control transaction or the consummation of an initial public offering.

Total compensation expense related to GM Cruise Holdings' share-based awards was insignificant for the year ended December 31, 2018. As of December 31, 2018, no share-based compensation expense had been recognized for the RSUs because the liquidity condition described above was not met. Total unrecognized compensation expense for GM Cruise Holdings' nonvested equity awards granted was \$392 million at December 31, 2018, which included the RSUs for which the liquidity condition had not been met. The expense related to stock options is expected to be recorded over a weighted-average period of 8.5 years. The timing of the expense related to RSUs will depend upon the date of the satisfaction of the liquidity condition.

Note 24. Supplementary Quarterly Financial Information (Unaudited)

The following tables summarize supplementary quarterly financial information:

| | 1st Quarter | | 2n | 2nd Quarter | | 3rd Quarter | | h Quarter |
|---|-------------|--------|----|-------------|----|-------------|----|-----------|
| 2018 | | | | | | | | |
| Total net sales and revenue | \$ | 36,099 | \$ | 36,760 | \$ | 35,791 | \$ | 38,399 |
| Automotive and other gross margin(a) | \$ | 2,507 | \$ | 3,204 | \$ | 3,743 | \$ | 2,935 |
| Income from continuing operations | \$ | 1,110 | \$ | 2,366 | \$ | 2,530 | \$ | 2,069 |
| Loss from discontinued operations, net of tax | \$ | 70 | \$ | _ | \$ | _ | \$ | _ |
| Net income attributable to stockholders | \$ | 1,046 | \$ | 2,390 | \$ | 2,534 | \$ | 2,044 |
| Basic earnings per common share – continuing operations | \$ | 0.78 | \$ | 1.68 | \$ | 1.77 | \$ | 1.42 |
| Basic loss per common share – discontinued operations | \$ | 0.05 | \$ | _ | \$ | _ | \$ | _ |
| Diluted earnings per common share – continuing operations | \$ | 0.77 | \$ | 1.66 | \$ | 1.75 | \$ | 1.40 |
| Diluted loss per common share – discontinued operations | \$ | 0.05 | \$ | _ | \$ | _ | \$ | _ |

⁽a) Includes our GM Cruise segment.

In the three months ended March 31, 2018 and June 30, 2018, we collectively recorded charges of \$1.1 billion related to the closure of a facility and other restructuring actions in Korea. In the three months ended September 30, 2018 we recorded charges of \$440 million for ignition switch related legal matters. In the three months ended December 31, 2018 we recorded charges of \$1.3 billion related to transformation activities including employee separation, accelerated depreciation and other charges; and a non-recurring tax benefit of \$1.0 billion related to foreign earnings.

| | 1st Quarter | | 2nd Quarter | | 3r | d Quarter | 4t | h Quarter |
|--|-------------|--------|-------------|--------|----|-----------|----|-----------|
| 2017 | | | | | | | | |
| Total net sales and revenue | \$ | 37,266 | \$ | 36,984 | \$ | 33,623 | \$ | 37,715 |
| Automotive and other gross margin(a) | \$ | 4,758 | \$ | 4,463 | \$ | 3,614 | \$ | 4,385 |
| Income (loss) from continuing operations | \$ | 2,686 | \$ | 2,433 | \$ | 114 | \$ | (4,903) |
| Loss from discontinued operations, net of tax | \$ | 69 | \$ | 770 | \$ | 3,096 | \$ | 277 |
| Net income (loss) attributable to stockholders | \$ | 2,608 | \$ | 1,660 | \$ | (2,981) | \$ | (5,151) |
| Basic earnings (loss) per common share – continuing operations | \$ | 1.78 | \$ | 1.62 | \$ | 0.08 | \$ | (3.46) |
| Basic loss per common share – discontinued operations | \$ | 0.05 | \$ | 0.51 | \$ | 2.14 | \$ | 0.19 |
| Diluted earnings (loss) per common share – continuing operations | \$ | 1.75 | \$ | 1.60 | \$ | 0.08 | \$ | (3.46) |
| Diluted loss per common share – discontinued operations | \$ | 0.05 | \$ | 0.51 | \$ | 2.11 | \$ | 0.19 |

⁽a) Includes our GM Cruise segment.

In the three months ended June 30, 2017, September 30, 2017 and December 31, 2017, we collectively recorded a total charge of \$6.2 billion as a result of the sale of the European Business, of which \$3.9 billion is recorded in Loss from discontinued

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

operations, net of tax, and \$2.3 billion is related to Income tax expense. In the three months ended December 31, 2017, we recorded a \$7.3 billion tax expense related to the U.S. tax reform legislation.

Note 25. Segment Reporting

We report segment information consistent with the way the chief operating decision maker evaluates the operating results and performance of the Company. As a result of the growing importance of our autonomous vehicle operations, we moved these operations from Corporate to GM Cruise and began presenting GM Cruise as a new reportable segment in the year ended December 31, 2018. Our GMNA, GMI and GM Financial segments were not significantly impacted. All periods presented have been recast to reflect the changes.

We analyze the results of our business through the following segments: GMNA, GMI, GM Cruise and GM Financial. As discussed in Note 1, the European Business is presented as discontinued operations and is excluded from our segment results for all periods presented. The European Business was previously reported as our GM Europe (GME) segment and part of GM Financial. The chief operating decision maker evaluates the operating results and performance of our automotive segments and GM Cruise through EBIT-adjusted, which is presented net of noncontrolling interests. The chief operating decision maker evaluates GM Financial through earnings before income taxes-adjusted because interest income and interest expense are part of operating results when assessing and measuring the operational and financial performance of the segment. Each segment has a manager responsible for executing our strategic initiatives. While not all vehicles within a segment are individually profitable on a fully allocated cost basis, those vehicles attract customers to dealer showrooms and help maintain sales volumes for other, more profitable vehicles and contribute towards meeting required fuel efficiency standards. As a result of these and other factors, we do not manage our business on an individual brand or vehicle basis.

Substantially all of the trucks, crossovers, cars and automobile parts produced are marketed through retail dealers in North America and through distributors and dealers outside of North America, the substantial majority of which are independently owned. In addition to the products sold to dealers for consumer retail sales, trucks, crossovers and cars are also sold to fleet customers, including daily rental car companies, commercial fleet customers, leasing companies and governments. Fleet sales are completed through the dealer network and in some cases directly with fleet customers. Retail and fleet customers can obtain a wide range of after-sale vehicle services and products through the dealer network, such as maintenance, light repairs, collision repairs, vehicle accessories and extended service warranties.

GMNA meets the demands of customers in North America with vehicles developed, manufactured and/or marketed under the Buick, Cadillac, Chevrolet and GMC brands. GMI primarily meets the demands of customers outside North America with vehicles developed, manufactured and/or marketed under the Buick, Cadillac, Chevrolet, GMC, and Holden brands. We also have equity ownership stakes in entities that meet the demands of customers in other countries, primarily China, with vehicles developed, manufactured and/or marketed under the Baojun, Buick, Cadillac, Chevrolet, Jiefang and Wuling brands. GM Cruise is our global segment responsible for the development and commercialization of autonomous vehicle technology, and includes autonomous vehicle-related engineering and other costs.

Our automotive operations' interest income and interest expense, Maven, legacy costs from the Opel/Vauxhall Business (primarily pension costs), corporate expenditures and certain nonsegment specific revenues and expenses are recorded centrally in Corporate. Corporate assets consist primarily of cash and cash equivalents, marketable securities, our investment in Lyft, PSA warrants, Maven vehicles and intercompany balances. Retained net underfunded pension liabilities related to the European Business are also recorded in Corporate. All intersegment balances and transactions have been eliminated in consolidation.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

The following tables summarize key financial information by segment:

| | At and For the Year Ended Dece | | | | | | | | | l December 31, 2018 | | | | | | | | |
|---|--------------------------------|---------|----|---------|----|----------|----|------------|----|---------------------|----|----------|----|----------------|----|-------------|----|---------|
| | | GMNA | | GMI | С | orporate | El | iminations | A | Total utomotive | GN | A Cruise | F | GM inancial | E | liminations | | Total |
| Net sales and revenue | \$ | 113,792 | \$ | 19,148 | \$ | 203 | | | \$ | 133,143 | \$ | _ | \$ | 14,016 | \$ | (110) | \$ | 147,049 |
| Earnings (loss) before interest and taxes-adjusted | \$ | 10,769 | \$ | 423 | \$ | (570) | | | \$ | 10,622 | \$ | (728) | \$ | 1,893 | \$ | (4) | \$ | 11,783 |
| Adjustments(a) | \$ | (1,236) | \$ | (1,212) | \$ | (457) | | | \$ | (2,905) | \$ | _ | \$ | _ | \$ | _ | | (2,905) |
| Automotive interest income | | | | | | | | | | | | | | | | | | 335 |
| Automotive interest expense | | | | | | | | | | | | | | | | | | (655) |
| Net (loss) attributable to noncontrolling interests | | | | | | | | | | | | | | | | | | (9) |
| Income before income taxes | | | | | | | | | | | | | | | | | | 8,549 |
| Income tax expense | | | | | | | | | | | | | | | | | | (474) |
| Income from continuing operations | | | | | | | | | | | | | | | | | | 8,075 |
| Loss from discontinued operations, net of tax | t | | | | | | | | | | | | | | | | | (70) |
| Net loss attributable to noncontrolling interests | | | | | | | | | | | | | | | | | | 9 |
| Net income attributable to stockholders | | | | | | | | | | | | | | | | | \$ | 8,014 |
| Equity in net assets of nonconsolidated affiliates | i \$ | 75 | \$ | 7,761 | \$ | 24 | \$ | _ | \$ | 7,860 | \$ | _ | \$ | 1,355 | \$ | _ | \$ | 9,215 |
| Goodwill and intangibles | \$ | 2,623 | \$ | 928 | \$ | 1 | \$ | _ | \$ | 3,552 | \$ | 671 | \$ | 1,356 | \$ | _ | \$ | 5,579 |
| Total assets | \$ | 109,763 | \$ | 24,911 | \$ | 31,694 | \$ | (50,690) | \$ | 115,678 | \$ | 3,195 | \$ | 109,953 | \$ | (1,487) | \$ | 227,339 |
| Expenditures for property | \$ | 7,784 | \$ | 883 | \$ | 21 | \$ | (2) | \$ | 8,686 | \$ | 15 | \$ | 60 | \$ | _ | \$ | 8,761 |
| Depreciation and amortization | \$ | 4,995 | \$ | 562 | \$ | 50 | \$ | (3) | \$ | 5,604 | \$ | 7 | \$ | 7,531 | \$ | _ | \$ | 13,142 |
| Impairment charges | \$ | 55 | \$ | 466 | \$ | 6 | \$ | _ | \$ | 527 | \$ | _ | \$ | _ | \$ | _ | \$ | 527 |
| Equity income | \$ | 8 | \$ | 1,972 | \$ | _ | \$ | _ | \$ | 1,980 | \$ | _ | \$ | 183 | \$ | _ | \$ | 2,163 |

⁽a) Consists of restructuring and other charges related to transformation activities of \$1.2 billion in GMNA; charges of \$1.2 billion related to restructuring actions in Korea and other countries in GMI; and charges of \$440 million for ignition switch related legal matters and other insignificant charges in Corporate.

| | At and For | | | | | | | | or the Year Ended December 31, 2017 | | | | | | | | | |
|--|------------|---------|----|--------|----|----------|-----|------------|-------------------------------------|--------------------|----|----------|----|----------------|------|-----------|----|----------|
| | | GMNA | | GMI | С | orporate | Eli | iminations | A | Total utomotive | GN | 1 Cruise | F | GM inancial | Elin | minations | | Total |
| Net sales and revenue | \$ | 111,345 | \$ | 21,920 | \$ | 342 | | | \$ | 133,607 | \$ | | \$ | 12,151 | \$ | (170) | \$ | 145,588 |
| Earnings (loss) before interest and taxes-adjusted | \$ | 11,889 | \$ | 1,300 | \$ | (921) | | | \$ | 12,268 | \$ | (613) | \$ | 1,196 | \$ | (7) | \$ | 12,844 |
| Adjustments(a) | \$ | _ | \$ | (540) | \$ | (114) | | | \$ | (654) | \$ | _ | \$ | _ | \$ | _ | | (654) |
| Automotive interest income | | | | | | | | | | | | | | | | | | 266 |
| Automotive interest expense Net (loss) attributable to | | | | | | | | | | | | | | | | | | (575) |
| noncontrolling interests | | | | | | | | | | | | | | | | | | (18) |
| Income before income taxes | | | | | | | | | | | | | | | | | | 11,863 |
| Income tax expense | | | | | | | | | | | | | | | | | | (11,533) |
| Income from continuing operations | | | | | | | | | | | | | | | | | | 330 |
| Loss from discontinued operations, net of tax | | | | | | | | | | | | | | | | | | (4,212) |
| Net loss attributable to noncontrolling interests | | | | | | | | | | | | | | | | | | 18 |
| Net loss attributable to stockholders | | | | | | | | | | | | | | | | | \$ | (3,864) |
| Equity in net assets of nonconsolidated affiliates | \$ | 68 | \$ | 7,818 | \$ | _ | \$ | _ | \$ | 7,886 | \$ | _ | \$ | 1,187 | \$ | _ | \$ | 9,073 |
| Goodwill and intangibles | \$ | 2,819 | \$ | 973 | \$ | 11 | \$ | _ | \$ | 3,803 | \$ | 679 | \$ | 1,367 | \$ | _ | \$ | 5,849 |
| Total assets | \$ | 99,874 | \$ | 27,712 | \$ | 30,573 | \$ | (42,750) | \$ | 115,409 | \$ | 666 | \$ | 97,251 | \$ | (844) | \$ | 212,482 |

| 9/30/201% Case 2:19-cv-1 | 104 | 4-DM | L-I | DRG | E | CF N | No. | 41-1 f | Pee | m <mark>@9</mark> /3(| 0/19 | Pa | gel | D.29 | 81 | Page | 17: | L of |
|-------------------------------|-----|-------|-----|-------|----|------|-----|-----------------|-----|-----------------------|------|----|-----|-------|----|------|-----|--------|
| Expenditures for property | \$ | 7,704 | \$ | 607 | \$ | 14 | \$ | 18 7 | \$ | 8,325 | \$ | 34 | \$ | 94 | \$ | _ | \$ | 8,453 |
| Depreciation and amortization | \$ | 4,654 | \$ | 708 | \$ | 32 | \$ | (1) | \$ | 5,393 | \$ | 1 | \$ | 6,573 | \$ | _ | \$ | 11,967 |
| Impairment charges | \$ | 78 | \$ | 211 | \$ | 5 | \$ | _ | \$ | 294 | \$ | _ | \$ | _ | \$ | _ | \$ | 294 |
| Equity income | \$ | 8 | \$ | 1,951 | \$ | _ | \$ | _ | \$ | 1,959 | \$ | _ | \$ | 173 | \$ | _ | \$ | 2,132 |

⁽a) Consists of charges of \$460 million related to restructuring actions in India and South Africa in GMI; charges of \$80 million associated with the deconsolidation of Venezuela in GMI and charges of \$114 million for ignition switch related legal matters in Corporate.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

At and For the Year Ended December 31, 2016

| | | | | | | At and Fu | ,, ,,,, | rear Ended | u Du | .ciiibci 31, 2 | 010 | | | | |
|---|---------------|--------------|----|----------|----|-------------|---------|--------------------|------|----------------|-----|----------------|----|------------|---------------|
| | GMNA | GMI | C | orporate | E | liminations | A | Total utomotive | G | M Cruise | F | GM inancial | E | iminations | Total |
| Net sales and revenue | \$ 119,113 | \$ 20,943 | \$ | 149 | | | \$ | 140,205 | \$ | _ | \$ | 8,983 | \$ | (4) | \$ 149,184 |
| Earnings (loss) before interest and taxes-adjusted | \$ 12,388 | \$ 767 | \$ | (902) | | | \$ | 12,253 | \$ | (171) | \$ | 763 | \$ | 3 | \$ 12,848 |
| Adjustments(a) | \$ _ | \$ _ | \$ | (300) | | | \$ | (300) | \$ | _ | \$ | _ | \$ | _ | (300) |
| Automotive interest income | | | | | | | | | | | | | | | 182 |
| Automotive interest expense | | | | | | | | | | | | | | | (563) |
| Net (loss) attributable to noncontrolling interests | | | | | | | | | | | | | | | (159) |
| Income before income taxes | | | | | | | | | | | | | | | 12,008 |
| Income tax expense | | | | | | | | | | | | | | | (2,739) |
| Income from continuing operations | | | | | | | | | | | | | | | 9,269 |
| Loss from discontinued operations, net of tax | | | | | | | | | | | | | | | (1) |
| Net loss attributable to noncontrolling interests | | | | | | | | | | | | | | | 159 |
| Net income attributable to stockholders | | | | | | | | | | | | | | | \$ 9,427 |
| Equity in net assets of nonconsolidated affiliates | \$ 74 | \$ 7,978 | \$ | _ | \$ | _ | \$ | 8,052 | \$ | _ | \$ | 944 | \$ | _ | \$ 8,996 |
| Goodwill and intangibles | \$ 3,128 | \$ 1,021 | \$ | 14 | \$ | _ | \$ | 4,163 | \$ | 620 | \$ | 1,366 | \$ | _ | \$ 6,149 |
| Total assets(b) | \$ 103,908 | \$ 27,273 | \$ | 38,465 | \$ | (35,139) | \$ | 134,507 | \$ | 548 | \$ | 87,947 | \$ | (1,312) | \$ 221,690 |
| Expenditures for property | \$ 7,338 | \$ 943 | \$ | 8 | \$ | (2) | \$ | 8,287 | \$ | 4 | \$ | 93 | \$ | _ | \$ 8,384 |
| Depreciation and amortization | \$ 4,292 | \$ 702 | \$ | 18 | \$ | (5) | \$ | 5,007 | \$ | 1 | \$ | 4,678 | \$ | _ | \$ 9,686 |
| Impairment charges | \$ 65 | \$ 68 | \$ | _ | \$ | _ | \$ | 133 | \$ | _ | \$ | _ | \$ | _ | \$ 133 |
| Equity income | \$ 159 | \$ 1,971 | \$ | _ | \$ | _ | \$ | 2,130 | \$ | _ | \$ | 152 | \$ | _ | \$ 2,282 |

⁽a) Consists of a net charge of \$300 million for ignition switch related legal matters.

Automotive revenue is attributed to geographic areas based on the country of sale. GM Financial revenue is attributed to the geographic area where the financing is originated. The following table summarizes information concerning principal geographic areas:

| | At and For the Years Ended December 31, | | | | | | | | | | | | |
|--------------------|---|-----|---------------------|----|-------------------------|-----|---------------------|----|-------------------------|----|----------------------|--|--|
| | 2 | 018 | | | 2 | 017 | | | 2016 | | | | |
| | et Sales and Revenue | L | ong-Lived Assets | N | et Sales and Revenue | L | ong-Lived Assets | N | et Sales and Revenue | I | Long-Lived Assets | | |
| Automotive | | | | | | | | | | | | | |
| U.S. | \$ 104,413 | \$ | 25,625 | \$ | 100,674 | \$ | 24,473 | \$ | 110,661 | \$ | 22,241 | | |
| Non-U.S. | 28,632 | | 13,263 | | 32,775 | | 12,715 | | 29,544 | | 11,258 | | |
| GM Financial | | | | | | | | | | | | | |
| U.S. | 12,169 | | 41,334 | | 10,489 | | 40,674 | | 7,462 | | 32,506 | | |
| Non-U.S. | 1,835 | | 2,476 | | 1,650 | | 2,467 | | 1,517 | | 2,050 | | |
| Total consolidated | \$ 147,049 | \$ | 82,698 | \$ | 145,588 | \$ | 80,329 | \$ | 149,184 | \$ | 68,055 | | |

No individual country other than the U.S. represented more than 10% of our total Net sales and revenue or Long-lived assets.

⁽b) Assets in Corporate and GM Financial include assets classified as held for sale.

GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

Note 26. Supplemental Information for the Consolidated Statements of Cash Flows

The following table summarizes the sources (uses) of cash provided by Change in other operating assets and liabilities and Cash paid for income taxes and interest:

| Years Ended December 31, | | | | | | | | | |
|--------------------------|-----------|---|---|--|--|--|--|--|--|
| | 2018 | | 2017 | | 2016 | | | | |
| \$ | 492 | \$ | 1,402 | \$ | (1,249) | | | | |
| | (2,606) | | (2,099) | | (2,184) | | | | |
| | 399 | | 440 | | (75) | | | | |
| | 748 | | (263) | | 785 | | | | |
| | (529) | | 108 | | (939) | | | | |
| | (537) | | (362) | | 3,195 | | | | |
| | (75) | | (3) | | (162) | | | | |
| | 732 | | (2,238) | | 1,209 | | | | |
| \$ | (1,376) | \$ | (3,015) | \$ | 580 | | | | |
| | | | | | | | | | |
| \$ | 660 | \$ | 656 | \$ | 676 | | | | |
| \$ | 656 | \$ | 501 | \$ | 460 | | | | |
| | 2,941 | | 2,571 | | 1,761 | | | | |
| \$ | 3,597 | \$ | 3,072 | \$ | 2,221 | | | | |
| | <u>\$</u> | \$ 492 (2,606) 399 748 (529) (537) (75) 732 \$ (1,376) \$ 660 \$ 656 2,941 | \$ 492 \$ (2,606) \$ 399 748 (529) (537) (75) 732 \$ (1,376) \$ \$ 656 \$ 2,941 | 2018 2017 \$ 492 \$ 1,402 (2,606) (2,099) 399 440 748 (263) (529) 108 (537) (362) (75) (3) 732 (2,238) \$ (1,376) \$ (3,015) \$ 660 \$ 656 \$ 501 2,941 2,571 | 2018 2017 \$ 492 \$ 1,402 \$ (2,606) (2,099) \$ 399 440 \$ 748 (263) \$ (529) 108 \$ (537) (362) \$ (75) (3) \$ 732 (2,238) \$ \$ (1,376) \$ (3,015) \$ \$ 660 \$ 656 \$ \$ \$ 501 \$ 2,941 2,571 | | | | |

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GENERAL MOTORS COMPANY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None

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Item 9A. Controls and Procedures

Disclosure Controls and Procedures We maintain disclosure controls and procedures designed to provide reasonable assurance that information required to be disclosed in reports filed under the Exchange Act is recorded, processed, summarized and reported within the specified time periods and accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

Our management, with the participation of our CEO and CFO, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) promulgated under the Exchange Act) at December 31, 2018. Based on this evaluation required by paragraph (b) of Rules 13a-15 or 15d-15, our CEO and CFO concluded that our disclosure controls and procedures were effective as of December 31, 2018.

Management's Report on Internal Control over Financial Reporting Our management is responsible for establishing and maintaining effective internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. This system is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with U.S. GAAP. Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, misstatements due to error or fraud may not be prevented or detected on a timely basis.

Our management performed an assessment of the effectiveness of our internal control over financial reporting at December 31, 2018, utilizing the criteria discussed in the "Internal Control – Integrated Framework (2013)" issued by the Committee of Sponsoring Organizations of the Treadway Commission. The objective of this assessment was to determine whether our internal control over financial reporting was effective at December 31, 2018. Based on management's assessment, we have concluded that our internal control over financial reporting was effective at December 31, 2018.

The effectiveness of our internal control over financial reporting has been audited by Ernst & Young LLP, an independent registered public accounting firm, as stated in its report which is included herein.

Changes in Internal Control over Financial Reporting There have not been any changes in our internal control over financial reporting during the three months ended December 31, 2018 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Beginning in 2019, we are enhancing our close, consolidation, planning and reporting processes through the implementation of a suite of new systems and system architectures. This new suite of systems will allow for increased agility, efficiency, and integration of data across the organization. We are using a phased implementation approach in which the first phase, implemented as of January 1, 2019, impacts our forecast and planning processes, inclusive of our year-over-year operating result changes discussed in the MD&A. The second phase, planned for implementation later in 2019, will impact our close, consolidation, financial reporting processes and related internal controls. For additional information refer to Item 1A. Risk Factors.

/s/ MARY T. BARRA

Mary T. Barra Chairman and Chief Executive Officer February 6, 2019 /s/ DHIVYA SURYADEVARA

Dhivya Suryadevara Executive Vice President and Chief Financial Officer February 6, 2019

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GENERAL MOTORS COMPANY AND SUBSIDIARIES

Item 9B. Other Information

As was previously announced by GM on November 29, 2018, effective January 1, 2019, Dan Ammann transitioned from President of GM to Chief Executive Officer of GM Cruise Holdings.

While Mr. Ammann is an employee of GM Cruise Holdings, all awards granted under GM's 2014 LTIP and 2017 LTIP (the Plans) will continue to vest per the terms of the award agreements. In the event of Mr. Ammann's involuntary termination of employment for reasons other than "Cause" (as defined in the Plans), following such transfer, all awards shall continue to vest under the normal conditions as outlined in the award agreements. For any other termination other than disability, death or full career status, all awards will be forfeited per the terms of the Plans. Also, other than an award for service in 2018 as President of GM, while Mr. Ammann is an employee of GM Cruise Holdings, he will not receive an annual award under the 2017 Short-Term Incentive Plan, GM's annual cash incentive plan, the terms of which have been previously disclosed and filed by GM. He will receive a base salary at a level consistent with his seniority and scope of responsibility as CEO of GM Cruise Holdings.

On February 4, 2019, the Compensation Committee of the Board of Directors (Cruise Board) of GM Cruise Holdings granted RSUs for 16,914 GM Cruise Common Shares and stock options for 101,485 GM Cruise Common Shares to Dan Ammann under the GM Cruise Holdings 2018 Employee Incentive Plan.

Vesting of the RSUs is conditioned on satisfaction of a time and service-based requirement (Time-Vesting Condition) and a liquidity event requirement (Performance-Vesting Condition). The Time-Vesting Condition will be satisfied with respect to: (1) 10.0% of the GM Cruise Common Shares on January 15, 2020; (2) 2.5% of the GM Cruise Common Shares on the 15th day of each calendar quarter thereafter; and (3) the final 5.0% vesting on October 15, 2028, provided Mr. Ammann remains a service provider of GM Cruise Holdings on each applicable vesting date. The Time-Vesting Condition will be satisfied as to 100% of the RSUs if the fair market value of the GM Cruise Common Shares meets a certain threshold, as determined by the Cruise Board. The Performance-Vesting Condition will be satisfied upon the earlier to occur of a change in control of GM Cruise Holdings and consummation of an initial public offering of GM Cruise Holdings. The RSUs will not vest unless a change of control or initial public offering occurs before the 10th anniversary of the date of grant of the RSUs. In the event of Mr. Ammann's involuntary termination for reasons other than "Cause" (as defined in his RSU award agreement), the RSUs shall be subject to accelerated vesting in the amount of RSUs that would have become vested had Mr. Ammann remained employed by GM Cruise Holdings for an additional 12 months following the date of termination.

The stock options will vest and become exercisable with respect to: (1) 10.0% of the aggregate GM Cruise Common Shares on January 15, 2020; (2) 2.5% of the aggregate GM Cruise Common Shares on the 15th day of each calendar quarter thereafter; and (3) the final 5.0% vesting on October 15, 2028, provided Mr. Ammann remains a service provider of GM Cruise Holdings on each applicable vesting date. In the event Mr. Ammann's involuntary termination for reasons other than "Cause" (as defined in his stock options award agreement), Mr. Ammann shall be eligible to receive the following: (1) continued payment of his base salary for 12 months following the date of termination; and (2) the stock options shall accelerate and become eligible for immediate exercisability in an amount equal to the number of stock options that would have vested had Mr. Ammann remained employed by GM Cruise Holdings for an additional 12 months following the date of termination.

The RSUs and stock options are subject to the following restrictive covenants: (1) nonsolicitation and noninterference with business relationships; (2) nonsolicitation and noninterference with covered persons; (3) false statements of fact; and (4) confidential information. The RSUs and stock options are also subject to the other terms and conditions of the Employee Incentive Plan.

The foregoing description of the RSUs and the stock options does not purport to be complete and is subject, and qualified in its entirety by reference, to the award agreements and Employee Incentive Plan filed herewith as Exhibits 10.20 - 10.22.

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GENERAL MOTORS COMPANY AND SUBSIDIARIES

PART III

Items 10, 11, 12, 13 and 14

Information required by Items 10, 11, 12, 13 and 14 of this Form 10-K is incorporated by reference from our definitive Proxy Statement for our 2019 Annual Meeting of Stockholders, which will be filed with the SEC, pursuant to Regulation 14A, not later than 120 days after the end of the 2018 fiscal year, all of which information is hereby incorporated by reference in, and made part of, this Form 10-K, except disclosure of our executive officers, which is included in Item 1 of this report.

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GENERAL MOTORS COMPANY AND SUBSIDIARIES

PART IV

ITEM 15. Exhibits

- (a) 1. All Financial Statements and Supplemental Information
 - 2. Financial Statement Schedules
 - All financial statement schedules are omitted as the required information is inapplicable or the information is presented in the consolidated financial statements and notes thereto in Item 8.
 - 3 Evhibite
- (b) Exhibits

| Exhibit Number | Exhibit Name | |
|-------------------|--|---------------------------|
| 1.1 | Underwriting Agreement, dated February 27, 2018, by and among General Motors Company, UAW Retiree Medical Benefits Trust and Citigroup Global Markets Inc. and Barclays Capital Inc., incorporated herein by reference to Exhibit 1.1 to the Current Report on Form 8-K of General Motors Company filed March 2, 2018 | Incorporated by Reference |
| 1.2 | <u>Underwriting Agreement, dated September 5, 2018, by and among General Motors Company, as issuer, and Barclays Capital Inc., Deutsche Bank Securities Inc. and SG Americas Securities, LLC, for themselves and as representatives of the several underwriters named therein, incorporated herein by reference to Exhibit 1.1 to the Current Report on Form 8-K of General Motors Company filed on September 10, 2018</u> | Incorporated by Reference |
| 2.1 | Master Agreement, dated as of March 5, 2017, between General Motors Holdings, LLC and Peugeot S.A., incorporated herein by reference to Exhibit 2.1 to the Quarterly Report on Form 10-Q of General Motors Company filed April 28, 2017** | Incorporated by Reference |
| 2.2 | Purchase Agreement by and among General Motors Holdings LLC, GM Cruise Holdings LLC, and Softbank Vision Fund (AIV M1), L.P. dated May 31, 2018, incorporated herein by reference to Exhibit 2.1 to the Quarterly Report on Form 10-Q of General Motors Company filed July 25, 2018** | Incorporated by Reference |
| 2.3 | Purchase Agreement by and between GM Cruise Holdings LLC and Honda Motor Co., LTD., dated October 3, 2018** | Filed Herewith |
| 3.1 | Restated Certificate of Incorporation of General Motors Company dated December 7, 2010, incorporated herein by reference to Exhibit 3.2 to the Current Report on Form 8-K of General Motors Company filed December 13, 2010 | Incorporated by Reference |
| 3.2 | General Motors Company Amended and Restated Bylaws, as amended August 14, 2018, incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K of General Motors Company filed August 20, 2018 | Incorporated by Reference |
| 4.1 | Indenture dated as of September 27, 2013, between General Motors Company and the Bank of New York Mellon, as Trustee, incorporated herein by reference to Exhibit 4.2 to the Registration Statement on Form S-3 of General Motors Company filed April 30, 2014 | Incorporated by Reference |
| 4.2 | First Supplemental Indenture dated as of September 27, 2013 to the Indenture dated as of September 27, 2013 between General Motors Company and the Bank of New York Mellon, as Trustee, incorporated herein by reference to Exhibit 4.3 to the Registration Statement on Form S-4 of General Motors Company filed May 22, 2014 | Incorporated by Reference |
| 4.3 | Second Supplemental Indenture dated as of November 12, 2014 to the Indenture dated as of September 27, 2013 between General Motors Company and the Bank of New York Mellon, as Trustee, incorporated herein by reference to Exhibit 4.4 to the Current Report on Form 8-K of General Motors Company filed November 12, 2014 | Incorporated by Reference |
| 4.4 | Third Supplemental Indenture, dated as of February 23, 2016, to the Indenture, dated as of September 27, 2013, between General Motors Company, as issuer, and The Bank of New York Mellon, as Trustee, incorporated herein by reference to Exhibit 4.1 to the Current Report on Form 8-K of General Motors Company filed February 23, 2016 | Incorporated by Reference |
| 4.5 | Fourth Supplemental Indenture, dated as of August 7, 2017, to the Indenture, dated as of September 27, 2013, between General Motors Company, as issuer, and The Bank of New York Mellon, as Trustee, incorporated herein by reference to Exhibit 4.1 to the Current Report on Form 8-K of General Motors Company filed August 8, 2017 | Incorporated by Reference |

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- 4.6 Fifth Supplemental Indenture, dated as of September 10, 2018 to the Indenture, dated as of September 27, 2013, between General Motors Company, as issuer, and The Bank of New York Mellon, as Trustee, incorporated by reference to Exhibit 4.2 to the Current Report on Form 8-K of General Motors Company filed September 10, 2018
- 4.7 <u>Calculation Agency Agreement, dated as of August 7, 2017 between General Motors Company and the Bank of New York Mellon, as calculation agent, incorporated herein by reference to Exhibit 4.2 to the Current Report on Form 8-K of General Motors Company filed August 8, 2017

 Incorporated by Reference to Exhibit 4.2 to the</u>
- 4.8 <u>Calculation Agency Agreement, dated as of September 10, 2018 between General Motors Company and the Bank of New York Mellon, as calculation agent, incorporated herein by reference to Exhibit 4.3 to the Current Report on Form 8-K of General Motors Company filed September 10, 2018</u>

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GENERAL MOTORS COMPANY AND SUBSIDIARIES

| Exhibit Number | Exhibit Name | |
|-------------------|---|------------------------------|
| 10.1 | Stockholders Agreement, dated as of October 15, 2009 between General Motors Company, the United States Department of the Treasury, Canada GEN Investment Corporation (fka 7176384 Canada Inc.), the UAW Retiree Medical Benefits Trust, and, for limited purposes, General Motors LLC, incorporated herein by reference to Exhibit 10.8 to the Current Report on Form 8-K of General Motors Company filed November 16, 2009 | Incorporated by Reference |
| 10.2 | Equity Registration Rights Agreement, dated as of October 15, 2009, between General Motors Company, the United States Department of Treasury, Canada GEN Investment Corporation (fka 7176384 Canada Inc.), the UAW Retiree Medical Benefits Trust, Motors Liquidation Company, and, for limited purposes, General Motors LLC, incorporated herein by reference to Exhibit 10.1 to the Current Report on Form 8-K of Motors Liquidation Company filed October 21, 2009 | Incorporated by Reference |
| 10.3 | Letter Agreement regarding Equity Registration Rights Agreement, dated October 21, 2010, among General Motors Company, the United States Department of Treasury, Canada GEN Investment Corporation, the UAW Retiree Medical Benefits Trust and Motors Liquidation Company, incorporated herein by reference to Exhibit 10.43 to Amendment No. 5 to the Registration Statement on Form S-1 (File No. 333-168919) of General Motors Company filed November 3, 2010 | Incorporated by Reference |
| 10.4* | Form of Compensation Statement, incorporated herein by reference to Exhibit 10.14 to the Annual Report on Form 10-K of General Motors Company filed April 7, 2010 | Incorporated by Reference |
| 10.5* | The General Motors Company Deferred Compensation Plan for Non-Employee Directors, incorporated herein by reference to Exhibit 10.1 to the Quarterly Report on Form 10-Q of General Motors Company filed May 6, 2011 | Incorporated by Reference |
| 10.6* | General Motors Company Executive Retirement Plan, with modifications through October 10, 2012, incorporated herein by reference to Exhibit 10.12 to the Annual Report on Form 10-K of General Motors Company filed February 15, 2013 | Incorporated by Reference |
| 10.7* | Amendment No. 1 to General Motors Company Executive Retirement Plan, with modifications through October 10, 2012, incorporated herein by reference to Exhibit 10.2 to the Current Report on Form 8-K of General Motors Company filed February 3, 2016 | Incorporated by Reference |
| 10.8* | General Motors Company 2014 Long-Term Incentive Plan, incorporated herein by reference to Exhibit 10.1 to the Current Report on Form 8-K of General Motors Company filed June 12, 2014 | Incorporated by Reference |
| 10.9* | Form of Non-Qualified Stock Option Agreement under the 2014 Long-Term Incentive Plan, incorporated herein by reference to Exhibit 10.1 to the Current Report on Form 8-K of General Motors Company filed July 30, 2015 | Incorporated by Reference |
| 10.10* | Form of General Motors Company Restricted Stock Unit Award Agreement under the 2014 Long-Term Incentive Plan, incorporated herein by reference to Exhibit 10.4 to the Quarterly Report on Form 10-Q of General Motors Company filed April 21, 2016 | Incorporated by Reference |
| 10.11* | Form of General Motors Company Performance Stock Unit Award Agreement under the 2014 Long-Term Incentive Plan, incorporated herein by reference to Exhibit 10.5 to the Quarterly Report on Form 10-Q of General Motors Company filed April 21, 2016 | Incorporated by Reference |
| 10.12* | Form of General Motors Company Performance Share Unit Award Agreement under the 2014 Long-Term Incentive Plan, incorporated herein by reference to Exhibit 10.1 to the Quarterly Report on Form 10-Q of General Motors Company filed April 28, 2017 | Incorporated by Reference |
| 10.13* | General Motors Company 2016 Equity Incentive Plan, incorporated herein by reference to Exhibit 99.1 to the Registration Statement on Form S-8 of General Motors Company filed May 13, 2016 | Incorporated by Reference |
| 10.14* | General Motors Company Vehicle Operations - Senior Management Vehicle Program (SMVP) Supplement, revised December 15, 2005, incorporated herein by reference to Exhibit 10(g) to the Annual Report on Form 10-K of Motors Liquidation Company filed March 28, 2006 | Incorporated by Reference |
| 10.15* | Form of Director and Officer Indemnification Agreement, incorporated herein by reference to Exhibit 10.6 to the Quarterly Report on Form 10-Q of General Motors Company filed April 21, 2016 | Incorporated by Reference |
| 10.16* | General Motors Company 2017 Short-Term Incentive Plan, incorporated herein by reference to Exhibit 10.25 to the Annual Report on Form 10-K of General Motors Company filed February 6, 2018 | Incorporated by Reference |
| 10.17* | General Motors Company 2017 Long-Term Incentive Plan, incorporated herein by reference to Exhibit 4.1 to the Registration Statement on Form S-8 of General Motors Company filed June 16, 2017 | Incorporated by Reference |
| 10.18* | Form of Performance Share Unit Award Agreement under the General Motors Company 2017 Long-Term Incentive Plan, incorporated herein by reference to Exhibit 10.1 to the Quarterly Report on Form 10-Q of General Motors Company filed April 26, 2018 | Incorporated by Reference |

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|--------------|--|-----------------|
| 10.19* | Form of Non-Qualified Stock Option Award Agreement und The General Motors Company 2017 Long-Term | Incorporated by |
| | Incentive Plan, incorporated herein by reference to Exhibit 10.2 to the Quarterly Report on Form 10-Q of General | Reference |
| | Motors Company filed April 26, 2018 | |
| 10.20* | GM Cruise Holdings LLC 2018 Employee Incentive Plan | Filed Herewith |
| 10.21* | Form of GM Cruise Holdings LLC 2018 Employee Incentive Plan Restricted Stock Unit Award Agreement | Filed Herewith |
| 10.22* | Form of GM Cruise Holdings LLC 2018 Employee Incentive Plan Stock Option Award Agreement | Filed Herewith |
| 10.23* | Amended and Restated General Motors LLC U.S. Executive Severance Program | Filed Herewith |
| | | |

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GENERAL MOTORS COMPANY AND SUBSIDIARIES

| Exhibit Number | Exhibit Name | |
|-------------------|--|-------------------------------|
| 10.24 | Amended and Restated Warrant Agreement, dated as of October 16, 2009, between General Motors | Incorporated by Reference |
| | Company and U.S. Bank National Association, as Warrant Agent, including a Form of Warrant Certificate attached as Exhibit D thereto, relating to warrants with a \$55 original (\$18.33 after stock split) exercise | |
| | price and a July 10, 2019 expiration date, incorporated herein by reference to Exhibit 10.30 to the Annual Report on Form 10-K of General Motors Company filed April 7, 2010 | |
| 10.25 | Amendment to Warrant Agreements between General Motors Company and U.S. Bank National Association, incorporated herein by reference to Exhibit 10.1 to the Quarterly Report on Form 10-Q of General Motors Company filed April 24, 2014 | Incorporated by Reference |
| 10.26† | Amended and Restated Master Agreement, dated as of December 19, 2012, between General Motors Holdings LLC and Peugeot S.A., incorporated herein by reference to Exhibit 10.24 to the Annual Report on Form 10-K of General Motors Company filed February 6, 2014 | Incorporated by Reference |
| 10.27 | Amendment, dated May 2, 2017 to the Master Agreement between General Motors Holdings, LLC and Peugeot S.A., incorporated herein by reference to Exhibit 10.4 to the Quarterly Report on Form 10-Q of General Motors Company filed July 25, 2017 | Incorporated by Reference |
| 10.28 | Amendment Number 2, dated July 30, 2017, to the Master Agreement between General Motors Holdings, LLC and Peugeot S.A., incorporated herein by reference to Exhibit 10.1 to the Quarterly Report on Form 10-Q of General Motors Company filed October 24, 2017 | Incorporated by Reference |
| 10.29 | Amendment Number 3, dated October 30, 2017, to the Master Agreement between General Motors Holdings, LLC and Peugeot S.A., incorporated herein by reference to Exhibit 10.31 to the Annual Report on Form 10-K of General Motors Company filed February 6, 2018 | Incorporated by Reference |
| 10.30† | Third Amended and Restated 3-Year Revolving Credit Agreement, dated as of April 18, 2018, among General Motors Company, General Motors Financial Company, Inc., GM Global Treasury Centre, General Motors do Brasil Ltda., the subsidiary borrowers from time to time parties thereto, the several lenders from time to time party thereto, JPMorgan Chase Bank, N.A., as administrative agent, and Citibank, N.A., as syndication agent, incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K of General Motors Company filed April 20, 2018 | Incorporated by Reference |
| 10.31† | Third Amended and Restated 5-Year Revolving Credit Agreement, dated as of April 18, 2018, among General Motors Company, General Motors Financial Company, Inc., GM Global Treasury Centre, General Motors do Brasil Ltda., the subsidiary borrowers from time to time parties thereto, the several lenders from time to time party thereto, JPMorgan Chase Bank, N.A., as administrative agent, and Citibank, N.A., as syndication agent, incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K of General Motors Company filed April 20, 2018 | Incorporated by Reference |
| 10.32† | 364-Day Revolving Credit Agreement, dated as of April 18, 2018, among General Motors Company, General Motors Financial Company, Inc., GM Global Treasury Centre, the subsidiary borrowers from time to time parties thereto, the several lenders from time to time party thereto, JPMorgan Chase Bank, N.A., as administrative agent, and Citibank, N.A., as syndication agent, incorporated by reference to Exhibit 10.3 to the Current Report on Form 8-K of General Motors Company filed April 20, 2018 | Incorporated by Reference |
| 10.33 | Second Amended and Restated Limited Liability Company Agreement of GM Cruise Holdings LLC, dated October 3, 2018 | Filed Herewith |
| 16.1 | Letter from Deloitte & Touche LLP, incorporated herein by reference to Exhibit 16.1 to the Current Report on Form 8-K/A of General Motors Company filed February 12, 2018 | Incorporated by Reference |
| 21 | Subsidiaries and Joint Ventures of the Registrant as of December 31, 2018 | Filed Herewith |
| 23.1 | Consent of Ernst & Young LLP | Filed Herewith |
| 23.2 | Consent of Deloitte & Touche LLP | Filed Herewith |
| 24 | Power of Attorney for Directors of General Motors Company | Filed Herewith |
| 31.1 | Section 302 Certification of the Chief Executive Officer | Filed Herewith |
| 31.2 | Section 302 Certification of the Chief Financial Officer | Filed Herewith |
| 32 | Certification Pursuant to 18 U.S.C. Section 1350, As Adopted Pursuant to Section 906 of the Sarbanes- Oxley Act of 2002 | Furnished with this Report |
| 101.INS | XBRL Instance Document | Filed Herewith |
| 101.SCH | XBRL Taxonomy Extension Schema Document | Filed Herewith |
| https://www.se | c.gov/Archives/edgar/data/1467858/000146785819000033/gm201810k.htm | 181/186 |

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| 101.CAL | XBRL Taxonomy Extension Calculation Linkbase Document | Filed Herewith |
|---------|--|----------------|
| 101.DEF | XBRL Taxonomy Extension Definition Linkbase Document | Filed Herewith |
| 101.LAB | XBRL Taxonomy Extension Label Linkbase Document | Filed Herewith |
| 101.PRE | XBRL Taxonomy Extension Presentation Linkbase Document | Filed Herewith |

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GENERAL MOTORS COMPANY AND SUBSIDIARIES

- † Certain confidential portions have been omitted pursuant to a granted request for confidential treatment, which has been separately filed with the SEC.
- * Management contracts and compensatory plans and arrangements required to be filed as exhibits pursuant to Item 15(b) of this Report.
- ** The Company agrees to furnish supplementally a copy of any omitted exhibit or schedule to the SEC upon request.

Item 16. Form 10-K Summary

None

* * * * * * *

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GENERAL MOTORS COMPANY AND SUBSIDIARIES

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

GENERAL MOTORS COMPANY (Registrant)

By: /s/ MARY T. BARRA

Mary T. Barra

Chairman and Chief Executive Officer

Date: February 6, 2019

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GENERAL MOTORS COMPANY AND SUBSIDIARIES

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below on this 6th day of February 2019 by the following persons on behalf of the registrant and in the capacities indicated, including a majority of the directors.

| Signature | Title | |
|--|---|--|
| /s/ MARY T. BARRA | Chairman and Chief Executive Officer | |
| Mary T. Barra | - | |
| /s/ DHIVYA SURYADEVARA | Executive Vice President and Chief Financial Officer | |
| Dhivya Suryadevara | - | |
| /s/ CHRISTOPHER T. HATTO | Vice President, Controller and Chief Accounting Officer | |
| Christopher T. Hatto | - | |
| /s/ THEODORE M. SOLSO* | Lead Director | |
| Theodore M. Solso | - | |
| /s/ LINDA R. GOODEN* | Director | |
| Linda R. Gooden | _ | |
| /s/ JOSEPH JIMENEZ* | Director | |
| Joseph Jimenez | _ | |
| /s/ JANE L. MENDILLO* | Director | |
| Jane L. Mendillo | | |
| /s/ ADMIRAL MICHAEL G. MULLEN, USN (ret.)* | Director | |
| Admiral Michael G. Mullen, USN (ret.) | _ | |
| /s/ JUDITH A. MISCIK* | Director | |
| Judith A. Miscik | | |
| /s/ JAMES J. MULVA* | Director | |
| James J. Mulva | _ | |
| /s/ PATRICIA F. RUSSO* | Director | |
| Patricia F. Russo | _ | |
| /s/ THOMAS M. SCHOEWE* | Director | |
| Thomas M. Schoewe | - | |
| /s/ CAROL M. STEPHENSON* | Director | |
| Carol M. Stephenson | - | |
| /s/ DEVIN N. WENIG* | Director | |
| Devin N. Wenig | - | |

Rick Hansen
Attorney-in-Fact

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EXHIBIT 2

2015



LIMITED WARRANTY AND OWNER ASSISTANCE INFORMATION



| IMPORTANT: This booklet contains important information about the vehicle's warranty coverage. It also explains owner assistance information and GM's participation in an Alternative Dispute Resolution Program. |
|---|
| Keep this booklet with your vehicle and make it available to a Cadillac dealer if warranty work is needed. Be sure to keep it with your vehicle if you sell it so future owners will have the information. |
| Owner's Name: |
| Street Address: |
| City & State: |
| Vehicle Identification Number (VIN): |
| Date Vehicle First Delivered or Put In Use: |
| Odometer Reading on Date Vehicle First Delivered or Put In Use: |

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Part No. 22866702 B Second Printing

2015 Cadillac Limited Warranty and Owner Assistance Information

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GM's Commitment

GM is committed to ensuring satisfaction with your new vehicle.

Your dealer also wants you to be completely satisfied and invites you to return for all your service needs, both during and after the warranty period.

Owner Assistance

The dealer is best equipped to provide all your vehicle's service needs. Should you ever encounter a problem that is not resolved during or after the limited warranty period, talk to a member of dealer management. Under certain circumstances, GM and/or GM dealers may provide assistance after the limited warranty period has expired when the problem results from a defect in material or workmanship. These instances will

be reviewed on a case-by-case basis. If the issue has not been resolved to your satisfaction, follow the Customer Satisfaction Procedure on page 31.

We thank you for choosing GM.

GM Participation in an Alternative Dispute Resolution Program

See Customer Satisfaction Procedure on page 31 for information on the voluntary, non-binding Alternative Dispute Resolution Program in which GM participates.

Warranty Service - United States, Canada and Mexico

The selling dealer has invested in the proper tools, training, and parts inventory to ensure that any necessary warranty repairs can be made to your GM vehicle. GM requests that the vehicle be returned to the selling dealer for all warranty repairs. If a situation or event occurs where you are significantly inconvenienced, an authorized GM dealer can make the warranty repairs. However, in the event the dealer is not able to perform the repair due to the special tool and training requirements, contact the Customer Assistance Offices on page 36. If you are unable to return to the selling dealer, contact a GM dealer in the United States, Canada, or Mexico for warranty service.

2 Warranty Coverage at a Glance

The warranty coverages are summarized below.

New Vehicle Limited Warranty

Bumper-to-Bumper (Includes Tires)

 Coverage is for the first 4 years or 50,000 miles, whichever comes first.

Powertrain

 Coverage is for the first 6 years or 70,000 miles, whichever comes first.

Sheet Metal

- Corrosion coverage is for the first 4 years or 50,000 miles, whichever comes first.
- Rust-through coverage is for the first 6 years, unlimited mileage.

Emission Control System Warranty

For light duty trucks, see "How to Determine the Applicable Emissions Control System Warranty" under *Emission Control Systems Warranty on page 20* for more information.

Federal

- Gasoline Engines
 - Defects and performance for cars and light duty truck emission control systems are covered for the first 2 years or 24,000 miles, whichever comes first. From the first 2 years or 24,000 miles to 4 years or 50,000 miles defects in material or workmanship continue to be covered under the New Vehicle Limited Warranty Bumper-to-Bumper coverage

explained previously. Specified major components are covered for the first 8 years or 80,000 miles, whichever comes first.

California

- Gasoline Engines
 - Defects and performance for cars and trucks with light duty or medium duty emission control systems are covered for the first 3 years or 50,000 miles, whichever comes first.
 - Specified components for cars or light duty trucks equipped with light duty or medium duty truck emission control systems are covered for the first 7 years or 70,000 miles, whichever comes first.

Important: Some California emission vehicles may have special coverages longer than those listed here. See "California Emission Control System Warranty" under Emission Control Systems Warranty on page 20.

Noise Emissions

 Coverage is for applicable vehicles weighing over 10,000 lbs based on the Gross Vehicle Weight Rating (GVWR) only, for the entire life of the vehicle.

4 New Vehicle Limited Warranty

GM will provide for repairs to the vehicle during the warranty period in accordance with the following terms, conditions, and limitations.

What Is Covered

Warranty Applies

This warranty is for GM vehicles registered in the United States and normally operated in the United States or Canada, and is provided to the original and any subsequent owners of the vehicle during the warranty period.

Repairs Covered

The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle related to materials or workmanship occurring during the warranty period. Needed repairs will be performed using new, remanufactured, or refurbished parts.

No Charge

Warranty repairs, including towing, parts, and labor, will be made at no charge.

Obtaining Repairs

To obtain warranty repairs, take the vehicle to a Cadillac dealer facility within the warranty period and request the needed repairs. Reasonable time must be allowed for the dealer to perform necessary repairs.

Warranty Period

The warranty period for all coverages begins on the date the vehicle is first delivered or put in use and ends at the expiration of the coverage period.

Bumper-to-Bumper Coverage

The complete vehicle is covered for 4 years or 50,000 miles, whichever comes first, except for other coverages listed here under "What

Is Covered" and those items listed under "What Is Not Covered" later in this section.

Powertrain Coverage

The powertrain is covered for 6 years or 70,000 miles, whichever comes first, except for other coverages listed here under "What Is Covered" and those items listed under "What Is Not Covered" later in this section.

Engine Coverage includes: All internally lubricated parts, engine oil cooling hoses and lines. Also included are all actuators and electrical components internal to the engine (e.g., Active Fuel Management Valve Lifter Oil Manifold) cylinder head, block, timing gears, timing chain, timing cover, oil pump/oil pump housing, OHC carriers, valve covers, oil pan, seals, gaskets, manifolds, flywheel, water pump, harmonic balancer, engine mount, turbocharger, and supercharger. Timing belts, and other associated components

required in the timing belt service replacement procedure are covered until the first scheduled maintenance interval.

Exclusions: Excluded from the powertrain coverage are sensors, wiring, connectors, engine radiator, coolant hoses, coolant, and heater core. Coverage on the engine cooling system begins at the inlet to the water pump and ends with the thermostat housing and/or outlet that attaches to the return hose. Also excluded is the starter motor, entire pressurized fuel system (in-tank fuel pump, pressure lines, fuel rail(s), regulator, injectors, and return line) as well as the Engine/ Powertrain Control Module and/or module programming.

Transmission/Transaxle Coverage includes: All internally lubricated parts, case, torque converter, mounts, seals, and gaskets as well as any electrical components internal to the transmission/

transaxle. Also covered are any actuators directly connected to the transmission (slave cylinder, etc.).

Exclusions: Excluded from the powertrain coverage are transmission cooling lines, hoses, radiator, sensors, wiring, and electrical connectors. Also excluded are the clutch and pressure plate as well as any Transmission Control Module and/or module programming.

Transfer Case Coverage includes:
All internally lubricated parts, case, mounts, seals, and gaskets as well as any electrical components internal to the transfer case. Also covered are any actuators directly connected to the transfer case as well as encoder motor.

Exclusions: Excluded from the powertrain coverage are transfer case cooling lines, hoses, radiator, sensors, wiring, and electrical connectors as well as the transfer case control module and/or module programming.

Drive Systems Coverage includes: All internally lubricated parts, final drive housings, axle shafts and bearings, constant velocity joints, propeller shafts, and universal joints. All mounts, supports, seals, and gaskets as well as any electrical components internal to the drive axle. Also covered are any actuators directly connected to the drive axle (e.g., front differential actuator).

Exclusions: Excluded from the powertrain coverage are all wheel bearings, drive wheel front and rear hub bearings, locking hubs, drive system cooling, lines, hoses, radiator, sensors, wiring, and electrical connectors related to drive systems as well as any drive system control module and/or module programming.

Tire Coverage

The tires supplied with your vehicle are covered by General Motors against defects in material or workmanship under the bumper-to-bumper warranty coverage. Wear-out is not considered a defect, and it may occur before the vehicle warranty expires. In this case, the owner is responsible to purchase replacement tires, or seek coverage solely from the tire manufacturer. For vehicles within the bumper-to-bumper warranty coverage, defective tires will be replaced on a prorated adjustment basis according to the following mileage-based schedule:

| Mileage | Replacement Percentage Covered by GM | |
|---------------|---|--|
| 0-12,000 | 100% | |
| 12,001-36,000 | Sliding scale starting at 67% at 12,001, proportionately falling (1.96%/1,000 miles) to 20% at 36,000 miles | |
| 36,001-50,000 | 20% (Buick and Cadillac Only) | |
| 36,001+ | 0% (Chevrolet and GMC Only) | |
| 50,001+ | 0% (Buick and Cadillac Only) | |

Examples:

| Miles | Coverage |
|--------|--|
| 6,000 | 100% |
| 12,000 | 100% |
| 12,001 | 67% |
| 18,000 | 55.25% |
| 24,000 | 43.5% |
| 30,000 | 31.75% |
| 36,000 | 20% |
| 48,000 | 20% Buick and Cadillac (0% Chevrolet and GMC) |

This schedule applies to the price of the tires only. GM will cover 100% of the cost to mount and balance the tires replaced under warranty for the full bumper-to-bumper warranty period.

After your New Vehicle Limited Warranty expires, you may still have prorated warranty coverage on your original equipment tires by the tire manufacturer. Contact your GM dealer or the tire manufacturer of the brand of tires on your vehicle for more information. The following is a list of current tire manufacturer's websites and toll-free customer assistance numbers.

Tire Companies

| Company | Website | Toll-Free Number |
|--|--|----------------------------------|
| Bridgestone Americas Tire Operations, LLC | www.bridgestonetire.com | 1-800-356-4644 |
| Continental/General | www.generaltire.com www.continentaltire.com | 1-800-847-3349 1-800-847-3349 |
| Goodyear/Dunlop | www.goodyeartires.com www.dunloptires.com | 1-800-321-2136 |
| Michelin/Uniroyal/Goodrich | www.michelinman.com | 1-800-847-3435 |
| Pirelli | www.us.pirelli.com | 1-800-747-3554 |
| Maxxis | www.maxxis.com | 1-866-509-7067 |

When a tire is removed from service due to a covered warranty condition under a tire manufacturer's limited warranty program, you may be eligible for a tire replacement or a comparable new tire on a prorated basis.

The tire manufacturer's limited warranty program, which can be obtained by calling or visiting the

tire manufacturer's website or any authorized dealer, is in lieu of all other remedies or warranties, expressed or implied, arising by law or otherwise, including fitness for a particular purpose or merchantability. The tire manufacturers expressly disclaim liability for indirect, special, incidental, or consequential damages, lost profit, loss of

business, loss of goodwill, loss of reputation, punitive or any other damage, cost, or loss of any kind.*

*Some states do not allow the exclusion or limitation of incidental or consequential damages, so the above limitations or exclusion may not apply to you.

Accessory Coverages

Most GM parts and accessories sold and permanently installed on a GM vehicle by a GM Dealer or GM approved Accessory Distributor/ Installer (ADI) prior to delivery will be covered under the applicable portion (Bumper-to-Bumper, Powertrain, etc.) of the New Vehicle Limited Warranty. In the event GM accessories are installed after vehicle delivery, or are replaced under the New Vehicle Limited Warranty, they will be covered, parts and labor, for the balance of the applicable portion of the New Vehicle Limited Warranty, but in no event less than 12 months/unlimited miles.

GM accessories sold over the counter, or those not requiring installation, will continue to receive the standard GM Dealer Parts Warranty of 12 months from the date of purchase, parts only.

GM Licensed and Integrated Business Partner (IBP) Accessories are covered under the accessory-specific manufacturer's warranty and are not warranted by GM or its dealers.

⚠ Caution

This warranty excludes:

Any communications device that becomes unusable or unable to function as intended due to unavailability of compatible wireless service or GPS satellite signals.

Sheet Metal Coverage

Sheet metal panels are covered against corrosion and rust-through as follows:

Corrosion: Body sheet metal panels are covered against rust for 4 years or 50,000 miles, whichever comes first.

Rust-Through: Any body sheet metal panel that rusts through, an actual hole in the sheet metal, is covered for up to 6 years, unlimited mileage.

Important: Cosmetic or surface corrosion, resulting from stone chips or scratches in the paint, for example, is not included in sheet metal coverage.

Towing

Towing is covered to the nearest Cadillac dealer if your vehicle cannot be driven because of a warranted defect.

What Is Not Covered

Tire and Wheel Damage or Wear

Normal tire wear or wear-out is not covered. Tire wear is influenced by many variables such as road conditions, driving styles, vehicle weight, and tire construction.
Uniform tire wear is a normal condition, and is not considered a defect. Road hazard damage such

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as punctures, cuts, snags, and breaks resulting from pothole impact, curb impact, or from other objects is not covered. Tire wear due to misalignment beyond the warranty period is not covered. Also, damage from improper inflation, overloading, spinning, as when stuck in mud or snow, tire chains, racing, improper mounting or dismounting, misuse, negligence, alteration, improper repair, accident, collision, fire, vandalism, or misapplication is not covered. Damage to wheels or tire sidewalls caused by automatic car washes or cleaning agents is not covered.

Damage Due to Accident, Misuse, or Alteration

The New Vehicle Limited Warranty does not cover damage caused as the result of any of the following:

 Collision, fire, theft, freezing, vandalism, riot, explosion, or objects striking the vehicle

- Misuse of the vehicle such as driving over curbs, overloading, racing, or other competition.
 Proper vehicle use is discussed in the owner manual.
- Alteration, modification, or tampering to the vehicle, including, but not limited to the body, chassis, powertrain, driveline, software, or other components after final assembly by GM.
- Coverages do not apply if the odometer has been disconnected, its reading has been altered, or mileage cannot be determined.
- Installation of non-GM (General Motors) parts
- · Water or fluid contamination
- Damage resulting from hail, floods, windstorms, lightning, and other environmental conditions
- Alteration of glass parts by application of tinting films

Important: This warranty is void on vehicles currently or previously titled as salvaged, scrapped, junked, or otherwise considered a total loss.

Damage or Corrosion Due to Environment, Chemical Treatments, or Aftermarket Products

Damage caused by airborne fallout, rail dust, salt from sea air, salt or other materials used to control road conditions, chemicals, tree sap, stones, hail, earthquake, water or flood, windstorm, lightning, the application of chemicals or sealants subsequent to manufacture, etc., is not covered. See "Chemical Paint Spotting" under *Things to Know About the New Vehicle Limited Warranty on page 15*.

Damage Due to Insufficient or Improper Maintenance

Damage caused by failure to follow the recommended maintenance schedule intervals and/or failure to use or maintain proper fluids, or maintain fluids between recommended maintenance intervals, fuel, lubricants, or refrigerants recommended in the owner manual is not covered.

Damage Due to Contaminated, Improper, or Poor Quality Fuel

Poor fuel quality or incorrect fuel may cause driveability problems such as hesitation, lack of power, stalling, or failure to start. They may also degrade functionality of critical exhaust emissions components such as spark plugs, oxygen sensors, and the catalytic converter. Damage from poor fuel quality, water contamination, or if the vehicle requires premium fuel, operating the vehicle on gasoline with a Pump Octane less than a 91 (R+M)/2, may not be covered.

Prohibited fuels are: Gasolines containing any methanol, MMT, an organometallic octane enhancing additive, and/or fuels containing more than 15% ethanol in non-Flex Fuel Vehicles (FFV).

Please refer to your owner manual under "Fuel," for additional recommendations, including the use of TOP TIER Detergent Gasoline. Additional information can also be found at: www.toptiergas.com/index.html.

Damage Due to Impact, Use, or the Environment

Windshield or glass cracks, chips, or scratches due to impact are not covered. Windshield cracks will be covered for the first 12 months, regardless of mileage if caused by defects in material or workmanship.

Lights, lenses, mirrors, paint, grille, moldings, and trim are not covered for cracks, chips, scratches, dents, dings, and punctures or tears as a result of impact with other objects or road hazards. In addition, cracks, chips, scratches, or other damage to the face of a radio or instrument cluster from impact or foreign objects are not covered.

Maintenance

All vehicles require periodic maintenance. Maintenance services, such as those detailed in the owner manual are the owner's expense. Vehicle lubrication, cleaning, or polishing are not covered. Failure of or damage to components requiring replacement or repair due to vehicle use, wear, exposure, or lack of maintenance is not covered.

Items such as:

- Audio System Cleaning
- Brake Pads/Linings
- Clutch Linings
- · Coolants and Fluids
- Filters
- Keyless Entry (or other remote transmitter/receiver batteries)*
- Limited Slip Rear Axle Service
- Tire Rotation

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- Wheel Alignment/Balance**
- Wiper Inserts

are covered up to the first maintenance inspection period outlined in the owner manual. Any replacement at the time of, or beyond the maintenance inspection period is considered maintenance, and is not covered as part of the New Vehicle Limited Warranty. The New Vehicle Limited Warranty only covers components when replacement or repair of these components is the result of a defect in material or workmanship.

- * Consumable battery covered up to 12 months only.
- ** Maintenance items after 7,500 miles.

Extra Expenses

Economic loss or extra expense is not covered.

Examples include:

- Inconvenience
- Lodging, meals, or other travel costs
- Loss of vehicle use
- Payment for loss of time or pay
- State or local taxes required on warranty repairs
- Storage

While extra expenses are not covered by the New Vehicle Limited Warranty, Cadillac does provide many additional customer benefits, such as Cadillac Shield. See your owner manual.

Other Terms: This warranty gives you specific legal rights and you may also have other rights which vary from state to state.

GM does not authorize any person to create for it any other obligation or liability in connection with these vehicles. Any implied warranty of merchantability or fitness for a particular purpose applicable to this vehicle is limited in duration to the duration of this written warranty. Performance of repairs and needed adjustments is the exclusive remedy under this written warranty or any implied warranty. GM shall not be liable for incidental or consequential damages, such as, but not limited to, lost wages or vehicle rental expenses, resulting from breach of this written warranty or any implied warranty.*

* Some states do not allow limitations on how long an implied warranty will last or the exclusion or limitation of incidental or consequential damages, so the above limitations or exclusions may not apply to you.

ELR-Specific Warranty

For vehicles sold in the United States, in addition to the Bumper-to-Bumper Coverage described previously, General Motors will warrant certain Extended Range Electric Vehicle (EREV) components for each Cadillac ELR, (hereafter referred to as EREV) for 8 years or 100,000 miles (160 000 kilometers), whichever comes first, from the original in-service date of the vehicle, against warrantable repairs to the specific EREV components of the vehicle.

For vehicles sold in Canada, in addition to the Base Warranty Coverage described in the GM Canadian Cadillac ELR Limited Warranty, Maintenance and Owner Assistance booklet, General Motors of Canada Limited will warrant certain EREV components for Cadillac ELR (hereafter referred to as EREV) for 8 years or 100.000 miles (160.000 kilometers).

whichever comes first, from the original in-service date of the vehicle, against warrantable repairs to the specific EREV components of the vehicle.

This warranty is for Cadillac ELR vehicles registered and normally operated in the United States or Canada, respectively. In addition to the initial owner of the vehicle, the coverage described in this EREV warranty is transferable at no cost to any subsequent person(s) who assumes ownership of the vehicle within the above-described 8 years or 100,000 miles (160 000 kilometers) term. No deductibles are associated with this EREV warranty.

This EREV component warranty is in addition to the express conditions and warranties described previously. The coverage and benefits described under "New Vehicle Limited Warranty" are not extended or altered because of this special EREV Component Warranty.

What Is Covered

This EREV warranty covers repairs to correct any EREV component defect related to materials or workmanship occurring during the 8 year or 100,000 miles (160 000 kilometers) term for the following:

Towing

During the 8 year or 100,000 miles (160 000 kilometers) EREV warranty period, towing is covered to the nearest Cadillac servicing dealer if your vehicle cannot be driven because of a warranted EREV specific defect. Contact the Cadillac Roadside Assistance Center for towing. Refer to the owner manual for details.

Cadillac ELR Coverage

Propulsion Battery Warranty Policy

Like all batteries, the amount of energy that the high-voltage "propulsion" battery can store will decrease with time and miles driven. Gradual loss of battery capacity is NOT covered under the New Vehicle Limited Warranty. Depending on use, the high-voltage battery may experience as much as 40% capacity reduction over the warranty period. See your owner manual for important tips on how to maximize the life and capacity of the high-voltage battery. To avoid losing warranty coverage for the battery. follow the guidelines for proper battery maintenance when the vehicle is not driven, or when the vehicle is stored for an extended period of time.

Repair

If possible, components will be repaired or replaced, and the original battery will be returned to the vehicle.

Replace (If Necessary)

Under warranty, the high voltage battery will be replaced with either a new or factory reconditioned high voltage battery with an energy capacity (kWh storage) level at or above that of the original battery prior to the failure.

Your ELR battery warranty replacement may not return your vehicle as an "as new" condition, but it will make your ELR fully operational appropriate to its age and mileage.

Other EREV/Electric Propulsion Components

High Voltage Wiring, EREV Control Modules, E-Compressor, Traction Power Inverter Module (TPIM), Accessory Power Module (APM), and EREV/Electric Propulsion On-Board Charger.

Brakes

Brake Modulator Assembly

Electric Drive Unit

Electric drive unit assembly and internal components, including the auxiliary fluid pump, auxiliary pump controller, and 3-phase cables.

What Is Not Covered

In addition to the "What is Not Covered" section previously, the EREV warranty does not cover the following items:

Wear Items

Wear items, such as brake linings, are not covered in the EREV warranty.

Improper Storage

High-voltage battery replacement due to improper vehicle storage. Refer to the owner manual for the proper ways your vehicle's battery must be maintained if the vehicle is not driven, or if it is stored for an extended period of time.

Warranty Repairs – Component Exchanges

In the interest of customer satisfaction, GM may offer exchange service on some vehicle components. This service is intended to reduce the amount of time your vehicle is not available for use due to repairs. Components used in exchange are service replacement parts that may be new, remanufactured, or refurbished.

Remanufactured parts meet GM approved service part requirements and are made from previously used components in a process that involves disassembly, inspection, cleaning, update of software and replacement of parts as appropriate, testing and reassembly.

Refurbished parts meet GM approved service part requirements and are previously used parts that are inspected, cleaned, tested, and repackaged.

All exchange components used meet GM standards and are warranted the same as new components. Examples of the types of components that might be serviced in this fashion include: engine and transmission assemblies, instrument cluster assemblies, radios, compact disc players, batteries, and powertrain control modules.

Warranty Repairs – Recycled Materials

Environmental Protection Agency (EPA) guidelines and GM support the capture, purification, and reuse of automotive air conditioning refrigerant gases and engine coolant. As a result, any repairs GM may make to your vehicle may involve the installation of purified reclaimed refrigerant and coolant.

Tire Service

Any authorized Cadillac or tire dealer for your brand of tires can assist you with tire service. If, after contacting one of these dealers, you need further assistance or you have questions, contact the Cadillac Customer Assistance Center. The toll-free telephone numbers are listed under *Customer Assistance Offices on page 36*.

Aftermarket Engine Performance Enhancement Products and Modifications

Some aftermarket engine performance products and modifications promise a way to increase the horsepower and torque levels of your vehicle's powertrain. You should be aware that these products may have detrimental effects on the performance and life of the engine, exhaust emission system, transmission, and drivetrain. Engine power enhancement products may enable the engine to operate at horsepower and torque levels that could damage, create failure, or reduce the life of the engine, engine emission system, transmission, and

drivetrain. Damage, failure, or reduced life of the engine, transmission, emission system, drivetrain or other vehicle components caused by aftermarket engine performance enhancement products or modifications may not be covered under your vehicle warranty.

After-Manufacture "Rustproofing"

Your vehicle was designed and built to resist corrosion. Application of additional rust-inhibiting materials is neither necessary nor required under the Sheet Metal Coverage. GM makes no recommendations concerning the usefulness or value of such products.

Application of after-manufacture rustproofing products may create an environment which reduces the corrosion resistance built into your vehicle. Repairs to correct damage

caused by such applications are not covered under your New Vehicle Limited Warranty.

Paint, Trim, and Appearance Items

Defects in paint, trim, upholstery, or other appearance items are normally corrected during new vehicle preparation. If you find any paint or appearance concerns, advise your dealer as soon as possible. Your owner manual has instructions regarding the care of these items.

Vehicle Operation and Care

Considering the investment you have made in your Cadillac, we know you will want to operate and maintain it properly. We urge you to follow the maintenance instructions in your owner manual.

If you have questions on how to keep your vehicle in good working condition, see your Cadillac dealer, the place many customers choose to have their maintenance work done. You can rely on your Cadillac dealer to use the proper parts and repair practices.

Maintenance and Warranty Service Records

Retain receipts covering performance of regular maintenance. Receipts can be very important if a question arises as to whether a malfunction is caused by lack of maintenance or a defect in material or workmanship.

A "Maintenance Record" is provided in the maintenance schedule section of the owner manual for recording services performed.

The servicing dealer can provide a copy of any warranty repairs for your records.

Chemical Paint Spotting

Some weather and atmospheric conditions can create a chemical fallout. Airborne pollutants can fall upon and adhere to painted

surfaces on your vehicle. This damage can take two forms: blotchy, ring-shaped discolorations, and/or small irregular dark spots etched into the paint surface.

Although no defect in the factory applied paint causes this, Cadillac will repair, at no charge to the owner, the painted surfaces of new vehicles damaged by this fallout condition within 12 months or 12,000 miles of purchase, whichever comes first.

Warranty Coverage – Extensions

Time Extensions: The New Vehicle Limited Warranty will be extended one day for each day beyond the first 24 hour period in which your vehicle is at an authorized dealer facility for warranty service. You may be asked to show the repair orders to verify the period of time the warranty is to be extended. Your extension rights may vary depending on state law.

Mileage Extensions: Prior to delivery, some mileage is put on your vehicle during testing at the assembly plant, during shipping, and while at the dealer facility. The dealer records this mileage on the first page of this warranty booklet at delivery. For eligible vehicles, this mileage will be added to the mileage limits of the warranty ensuring that you receive full benefit of the coverage. Mileage extension eligibility:

- Applies only to new vehicles held exclusively in new vehicle inventory.
- Does not apply to used vehicles, GM-owned vehicles, dealer owned used vehicles, or dealer demonstrator vehicles.
- Does not apply to vehicles with more than 1,000 miles on the odometer even though the vehicle may not have been registered for license plates.

Warranty Service — Foreign Countries

Touring Owner Service

If you are touring in a foreign country and repairs are needed, take your vehicle to the nearest GM dealer which sells and services Cadillac vehicles. However, if a Cadillac dealer cannot be located, significantly inconvenienced customers can take their vehicle to any GM dealer for repairs.

Important: Repairs made necessary by the use of improper or dirty fuels and lubricants are not covered under the warranty. See your owner manual for additional information on fuel requirements when operating in foreign countries.

Permanent Relocation

This warranty applies to GM vehicles registered in the United States and normally operated in the United States, Canada, or Mexico. If you have permanently relocated

and established household residency in another country, GM may authorize the performance of repairs under the warranty authorized for vehicles generally sold by GM in that country. Contact an authorized GM dealer in your country for assistance.

Important: GM warranty coverages may be void on GM vehicles that have been imported/exported for resale.

Original Equipment Alterations

This warranty does not cover any damage or failure resulting from modification or alteration to the vehicle's original equipment as manufactured or assembled by General Motors. Examples of the types of alterations that would not be covered include cutting, welding, or disconnecting of the vehicle's original equipment parts and components.

Additionally, General Motors does not warranty non-GM parts, calibrations, and/or software modifications. The use of parts, control module calibrations, software modifications, and/or any other alteration not issued through General Motors will void the warranty coverage for those components that are damaged or otherwise affected by the installation of the non-GM part, control module calibration, software modification, and/or other alteration

The only exception is that non-GM parts labeled "Certified to EPA Standards" are covered by the Federal Emissions Performance Warranty.

Recreation Vehicle and Special Body or Equipment Alterations

Installations or alterations to the original equipment vehicle or chassis, as manufactured and assembled by GM, are not covered by this warranty. The special body company, assembler, or equipment installer is solely responsible for warranties on the body or equipment and any alterations to any of the parts, components, systems, or assemblies installed by GM. Examples include, but are not limited to, special body installations, such as recreational vehicles, the installation of any non-GM part, cutting, welding, or the disconnecting of original equipment vehicle or chassis parts and components, extension of the wheelbase, suspension and driveline modifications, and axle additions.

Pre-Delivery Service

Defects in the mechanical, electrical, sheet metal, paint, trim, and other components of your vehicle may occur at the factory or while it is being transported to the dealer facility. Normally, any defects occurring during assembly are identified and corrected at the factory during the inspection process. In addition, dealers inspect each vehicle before delivery. They repair any uncorrected factory defects and any transit damage detected before the vehicle is delivered to you.

Any defects still present at the time the vehicle is delivered to you are covered by the warranty. If you find any defects, advise your dealer without delay. For further details concerning any repairs which the dealer may have made prior to you taking delivery of your vehicle, ask your dealer.

Production Changes

GM and GM dealers reserve the right to make changes in vehicles built and/or sold by them at any time without incurring any obligation to make the same or similar changes on vehicles previously built and/or sold by them.

Noise Emissions Warranty for Light Duty Trucks Over 10,000 Lbs Gross Vehicle Weight Rating (GVWR) Only

GM warrants to the first person who purchases this vehicle for purposes other than resale and to each subsequent purchaser of this vehicle, as manufactured by GM, that this vehicle was designed, built, and equipped to conform at the time it left GM's control with all applicable United States EPA Noise Control Regulations.

This warranty covers this vehicle as designed, built, and equipped by GM, and is not limited to any particular part, component, or system of the vehicle manufactured by GM. Defects in design, or assembly, or in any part, component, or vehicle system as manufactured by GM, which, at the time it left GM's control, caused noise emissions to exceed Federal Standards, are covered by this warranty for the life of the vehicle.

The emission warranty on your vehicle is issued in accordance with the U.S. Federal Clean Air Act. Defects in material or workmanship in GM emission parts may also be covered under the New Vehicle Limited Warranty Bumper-to-Bumper coverage. There may be additional coverage on GM diesel engine vehicles. In any case, the warranty with the broadest coverage applies.

What Is Covered

The parts covered under the emission warranty are listed under the "Emission Warranty Parts List" later in this section.

How to Determine the Applicable Emissions Control System Warranty

State and Federal agencies may require a different emission control system warranty depending on:

- Whether the vehicle conforms to regulations applicable to light duty or heavy duty emission control systems.
- Whether the vehicle conforms to or is certified for California regulations in addition to U.S. EPA Federal regulations.

All vehicles are eligible for Federal Emissions Control System Warranty Coverage. If the emissions control label contains language stating the vehicle conforms to California regulations, the vehicle is also eligible for California Emissions Control System Warranty Coverage.

Federal Emission Control System Warranty

Federal Warranty Coverage

- Car or Light Duty Truck with a Gross Vehicle Weight Rating (GVWR) of 8,500 lbs. or less
 - 2 years or 24,000 miles and 8 years or 80,000 miles for the catalytic converter, vehicle/ powertrain control module, transmission control module or other onboard emissions diagnostic device, including emission-related software, whichever comes first.
- Light Duty Truck equipped with Heavy Duty Gasoline Engine and with a Gross Vehicle Weight Rating (GVWR) greater than 8,500 lbs.
 - 5 years or 50,000 miles, whichever comes first.

- Light Duty Truck equipped with Heavy Duty Diesel Engine and with a Gross Vehicle Weight Rating (GVWR) greater than 8,500 lbs.
 - 5 years or 50,000 miles, whichever comes first.

Federal Emission Defect Warranty

GM warrants to the owner the following:

- The vehicle was designed, equipped, and built so as to conform at the time of sale with applicable regulations of the Federal Environmental Protection Agency (EPA).
- The vehicle is free from defects in materials and workmanship which cause the vehicle to fail to conform with those regulations during the emission warranty period.

Emission-related defects in the genuine GM parts listed under the Emission Warranty Parts List,

including related diagnostic costs, parts, and labor are covered by this warranty.

Federal Emission Performance Warranty

Some states and/or local jurisdictions have established periodic vehicle Inspection and Maintenance (I/M) programs to encourage proper maintenance of your vehicle. If an EPA-approved I/M program is enforced in your area, you may also be eligible for Emission Performance Warranty coverage when all three of the following conditions are met:

- The vehicle has been maintained and operated in accordance with the instructions for proper maintenance and use set forth in the owner manual supplied with your vehicle.
- The vehicle fails an EPA-approved I/M test during the emission warranty period.

 The failure results, or will result, in the owner of the vehicle having to bear a penalty or other sanctions, including the denial of the right to use the vehicle, under local, state, or federal law.

GM warrants that your dealer will replace, repair, or adjust to GM specifications, at no charge to you, any of the parts listed under *Emission Warranty Parts List on page 25*, which may be necessary to conform to the applicable emission standards. Non-GM parts labeled "Certified to EPA Standards" are covered by the Federal Emission Performance Warranty.

California Emission Control System Warranty

This section outlines the emission warranty that GM provides for your vehicle in accordance with the California Air Resources Board. Defects in material or workmanship in GM emission parts may also be covered under the New Vehicle Limited Warranty

Bumper-to-Bumper coverage. There may be additional coverage on GM diesel engine vehicles. In any case, the warranty with the broadest coverage applies.

This warranty applies if your vehicle meets both of the following requirements:

- Your vehicle is registered in California or other states adopting California emission and warranty regulations.*
- Your vehicle is certified for sale in California as indicated on the vehicle's emission control information label.
- * Important: Connecticut, Delaware, Maine, Maryland, Massachusetts, New Jersey, Oregon, Pennsylvania, Rhode Island, Vermont, and Washington have California Emissions Warranty coverage. (New York adopted California emission standards, but not the California Emissions

Warranty. The Federal Emissions Control Warranty applies to all non-PZEV vehicles in New York.)

California Partial Zero Emission Vehicles (PZEV) have extended coverage on all emission-related parts.

Important: California, Connecticut, Maine, Maryland, Massachusetts, New Jersey, New York, Rhode Island, and Vermont have PZEV Emission Warranty Coverage. (Oregon has PZEV Hybrid battery 10 years/150,000 mile coverage only).

Your Rights and Obligations (For Vehicles Subject to California Exhaust Emission Standards)

The California Air Resources Board and General Motors are pleased to explain the emission control system warranty on your vehicle. In California, new motor vehicles must be designed, built, and equipped to meet the state's stringent anti-smog standards. GM must warrant the

emission control system on your vehicle for the periods of time and mileage listed provided there has been no abuse, neglect, or improper maintenance of your vehicle. Your vehicle's emission control system may include parts such as the fuel injection system, ignition system, catalytic converter, and engine computer. Also included are hoses, belts, connectors, and other emission-related assemblies.

Where a warrantable condition exists, GM will repair your vehicle at no cost to you including diagnosis, parts, and labor.

California Emission Defect and Emission Performance Warranty Coverage

For cars and trucks with light duty or medium duty emissions:

- For 3 years or 50,000 miles, whichever comes first:
 - If your vehicle fails a smog check inspection, GM will make all necessary repairs

- and adjustments to ensure that your vehicle passes the inspection. This is your Emission Control System Performance Warranty.
- If any emission-related part on your vehicle is defective, GM will repair or replace it. This is your Short-term Emission Control Systems Defects Warranty.
- For 7 years or 70,000 miles, whichever comes first:
 - If an emission-related part listed in this booklet specially noted with coverage for 7 years or 70,000 miles is defective, GM will repair or replace it. This is your Long-term Emission Control System Defects Warranty.
- For 8 years or 80,000 miles, whichever comes first:
 - If the catalytic converter, vehicle/powertrain control module, transmission control

- module, or other onboard emissions diagnostic device, including emissions-related software, is found to be defective, GM will repair or replace it under the Federal Emission Control System Warrantv.
- For 15 years or 150,000 miles, whichever comes first for a Partial Zero Emission Vehicle (PZEV):
 - If any emission-related part* listed in this booklet is defective, GM will repair or replace it. This is your (PZEV) Emission Control System Defects Warranty.
- * PZEV Hybrid Batteries and Hybrid A/C Compressors are covered for 10 years or 150,000 miles, whichever comes first.

Any authorized Cadillac dealer will, as necessary under these warranties, replace, repair, or adjust to GM specifications any genuine GM parts that affect emissions.

The applicable warranty period shall begin on the date the vehicle is delivered to the first retail purchaser or, if the vehicle is first placed in service as a demonstrator or company vehicle prior to sale at retail, on the date the vehicle is placed in such service.

Owner's Warranty Responsibilities

As the vehicle owner, you are responsible for the performance of the scheduled maintenance listed in your owner manual. GM recommends that you retain all maintenance receipts for your vehicle, but GM cannot deny warranty coverage solely for the lack of receipts or for your failure to ensure the performance of all scheduled maintenance.

24 Emission Control Systems Warranty

You are responsible for presenting your vehicle to a GM dealer selling your vehicle line as soon as a problem exists. The warranted repairs should be completed in a reasonable amount of time, not to exceed 30 days.

As the vehicle owner, you should also be aware that GM may deny warranty coverage if your vehicle or a part has failed due to abuse, neglect, improper or insufficient maintenance, or modifications not approved by GM.

If you have any questions regarding your rights and responsibilities under these warranties, you should contact the Customer Assistance Center at 1-800-458-8006, for ELR 1-855-422-3357 (1-855-4-CAD-ELR), or in California, write to:

State of California Air Resources Board Mobile Source Operations Division P.O. Box 8001 El Monte, CA 91731-2990 The emission parts listed here are covered under the Emission Control System Warranty. The terms are explained in the *Emission Control Systems Warranty on page 20* under "Federal Emission Control System Warranty" and the "California Emission Control System Warranty."

Important: Certain parts may be covered beyond these warranties if shown with asterisk(s) as follows:

- (*) 7 years/70,000 miles, whichever comes first, California Emission Control System Warranty coverage.
- (**) 8 years/80,000 miles, whichever comes first, Federal Emission Control System Warranty coverage. (Also applies to California certified light duty and medium duty vehicles.)

All listed parts 15 years/ 150,000 miles, whichever comes first, on California PZEV (NU6) vehicles registered in a PZEV state except Hybrid batteries and Hybrid A/C compressors, which are covered for 10 years/150,000 miles, whichever comes first.

Powertrain Control System

Camshaft Position Actuator *

Camshaft Position Actuator Valve
Coolant Sensor

Coolant Censor

Data Link Connector

Engine Control Module (ECM) **

Engine Coolant Temperature Sensor

Fuel Control Module **

Humidity Sensor

Intake Air Temperature Sensor

Malfunction Indicator Lamp

Manifold Absolute Pressure Sensor

Mass Air Flow Sensor

Outside Air Temperature Sensor

Oxygen Sensor(s)

Powertrain Control Module (PCM) **

Throttle Position Sensor

Vehicle Control Module (VCM) **

Vehicle Speed Sensor

Wheel Speed Sensor

Transmission Controls and Torque Management

Control Solenoids and Pressure Switches

Clutch Solenoids and Switches

Park/Neutral Switch

Transmission Control Module **

Transmission Fluid Temperature Sensor

Transmission Speed Sensors

Fuel Management System

AFM Fuel Pump Power Module

AFM Exhaust Valves and Controller

Diesel Fuel Injection Pump *

Diesel Direct Fuel Injector Assembly*

Fuel Injector

26 Emission Warranty Parts List

Fuel Pressure Regulator

Fuel Pressure Sensor

Fuel Rail Assembly

Fuel Temperature Sensor

High Pressure Fuel Pump (SIDI) *

Air Management System

Active Aero Shutters and Controller

Air Cleaner

Air Intake Ducts

Charge Air Cooler *

Charge Air Cooler Control

Idle Air Control Valve

Idle Speed Control Motor

Intake Air Heater

Intake Manifold

Intake Manifold Gasket

Intake Manifold Tuning Valve

Supercharger*

Throttle Body

Turbocharger*

Turbocharger Pressure Sensor

Ignition System

Camshaft Position Sensor(s)

Crankshaft Position Sensor(s)

Glow Plug(s) (Diesel)

Glow Plug Controller (Diesel)

Ignition Coil(s)

Ignition Control Module

Knock Sensor

Spark Plug Wires

Spark Plugs

Start/Stop System

Auxiliary Battery

Dual Battery Isolation Module (DBIM)

Intelligent Battery Sensor

Battery Control Module

Transmission Fluid Pressure Charge Accumulator and Solenoid

Catalytic Converter System

Catalytic Converter(s) * **

Diesel Exhaust Temperature and Pressure Sensors

Diesel Particulate Filter (DPF) *

Diesel Particulate Matter Sensor

Diesel Exhaust (DPF) Indirect Fuel Injector

Diesel Exhaust Emission Reduction Fluid Injector

Diesel Exhaust Emission Reduction Fluid Tank*

Diesel Exhaust NOx Sensors

Exhaust Manifold

Exhaust Manifold Gasket

Positive Crankcase Ventilation (PCV) System

Oil Filler Cap

PCV Filter

PCV Oil Separator

PCV Valve

Exhaust Gas Recirculation (EGR) System

EGR Feed and Delivery Pipes

EGR Temperatuer Sensor

EGR Valve

EGR Valve Cooler*

Secondary Air Injection System

Air Pump and Check Valves

Evaporative Emission Control System (Gasoline Engines)

Canister

Canister Solenoids and Valves

Fuel Feed and Return Pipes and Hoses

Fuel Filler Cap

Fuel Level Sensor

Fuel Limiter Vent Valve

Fuel Tank(s) *

Fuel Tank Filler Pipe (with restrictor)

Fuel Tank Vacuum or Pressure Sensor

Hybrid

Auxiliary Transmission Fluid Pump

Battery Cooling Circuit

Battery Control Module **

Battery Pack Current Sensor

Brake Pedal Travel Sensor

Drive Motors and Resolvers*

Drive Motor/Generator Control Module**

Traction Power Inverter Module (TPIM)**

Electro-Hydraulic Brake Control Module**

Energy Storage Control Module **

Hybrid Batteries *

Hybrid Battery Temp. and Voltage Sensors

Starter Generator*

Starter Generator Control Module **

Starter Generator Drive Belt

SGCM Coolant Circuit (fan, relay, pump)

Voltec/EREV Specific Components

Vehicle Interface Control Module**

Voltec/EREV RESS Battery* **

Onboard Charger* **

Charge Port

Charge Port Switches and Sensors

Voltec/EREV EVAP Canister Assembly

Voltec/EREV RESS Thermal Management:

E-compressor * * *
Port Valves

Battery Temperature Sensors Battery High Voltage Heater

Battery Coolant Pump

Power Electronics

Coolant Pump

Air and Coolant Temperature

Sensors

Rfg. Temperature and Pressure Sensors

Miscellaneous Items Used with Above Components and Certain Tires are Covered

Belts

Boots

Clamps

Connectors

Ducts

Fittings

Gaskets

Grommets

Hoses

Housings

Mounting Hardware

Pipes

Pulleys

Sealing Devices

Springs

Tubes

Wiring and Relays

Tires (Heavy Duty Applications only 2 yr/24,000 mile Federal Emission Defect Warranty)

Parts specified in your maintenance schedule that require scheduled replacement are covered up to their first replacement interval or the applicable emission warranty coverage period, whichever comes first. If failure of one of these parts results in failure of another part, both will be covered under the Emission Control System Warranty.

For detailed information concerning specific parts covered by these emission control system warranties, ask your dealer.

Replacement Parts

The emission control systems of your vehicle were designed, built, and tested using genuine GM parts* and the vehicle is certified as being in conformity with applicable federal and California emission requirements. Accordingly, it is recommended that any

replacement parts used for maintenance or for the repair of emission control systems be new, genuine GM parts.

The warranty obligations are not dependent upon the use of any particular brand of replacement parts. The owner may elect to use non-genuine GM parts for replacement purposes. Use of replacement parts which are not of equivalent quality may impair the effectiveness of emission control systems.

If other than new, genuine GM parts are used for maintenance replacements or for the repair of parts affecting emission control, the owner should assure himself/herself that such parts are warranted by their manufacturer to be equivalent to genuine GM parts in performance and durability.

* "Genuine GM parts," when used in connection with GM vehicles, means parts manufactured by or for GM, designed for use on GM vehicles, and distributed by any division or subsidiary of GM.

Maintenance and Repairs

Maintenance and repairs can be performed by any qualified service outlet; however, warranty repairs must be performed by an authorized dealer except in a situation where the vehicle owner is significantly inconvenienced and a warranted part or a warranty station is not reasonably available to the vehicle owner.

In a situation where the vehicle owner is significantly inconvenienced, and an authorized dealer is not reasonably available, repairs may be performed at any available service establishment or by the owner, using any replacement part. Cadillac will consider reimbursement for the expense incurred, including diagnosis, not to exceed the manufacturer's suggested retail

price for all warranted parts replaced and labor charges based on Cadillac's recommended time allowance for the warranty repair and the geographically appropriate labor rate. A part not being available within 10 days or a repair not being completed within 30 days constitutes a significant inconvenience. Retain receipts and failed parts in order to receive compensation for warranty repairs reimbursable due to these situations

If you are in a situation where you are significantly inconvenienced and it is necessary to have repairs performed by other than a Cadillac dealer and you believe the repairs are covered by emission warranties, take the replaced parts and your receipt to a Cadillac dealer for reimbursement consideration. This applies to both the Federal Emission Defect Warranty and Federal Emission Performance Warranty.

Receipts and records covering the performance of regular maintenance or other repairs (such as those outlined earlier) should be retained in the event questions arise concerning maintenance. These receipts and records should be transferred to each subsequent owner. GM will not deny warranty coverage solely on the absence of maintenance records. However, GM may deny a warranty claim if a failure to perform scheduled maintenance resulted in the failure of a warranty part.

Claims Procedure

As with the other warranties covered in this booklet, take your vehicle to any authorized Cadillac dealer facility to obtain service under the emission warranty. This should be done as soon as possible after failing an EPA-approved I/M test or a California smog check test, or at any time you suspect a defect in a part.

30 Emission Warranty Parts List

Those repairs qualifying under the warranty will be performed by any Cadillac dealer at no charge. Repairs which do not qualify will be charged to you. You will be notified as to whether or not the repair qualifies under the warranty within a reasonable time, not to exceed 30 days after receipt of the vehicle by the dealer, or within the time period required by local or state law.

The only exceptions would be if you request or agree to an extension, or if a delay results from events beyond the control of your dealer or GM. If you are not so notified, GM will provide any required repairs at no charge.

In the event a warranty matter is not handled to your satisfaction, see *Customer Satisfaction Procedure on page 31*.

For further information or to report violations of the Emission Control System Warranty, you may contact the EPA at:

Manager, Certification and Compliance Division (6405J) Warranty Claims Environmental Protection Agency Ariel Rios Building 1200 Pennsylvania Avenue, N.W. Washington, DC 20460

For a vehicle subject to the California Exhaust Emission Standards, you may contact the:

State of California Air Resources Board Mobile Source Operations Division P.O. Box 8001 El Monte, CA 91731-2990 Your satisfaction and goodwill are important to your dealer and to Cadillac. Normally, any concerns with the sales transaction or the operation of your vehicle will be resolved by your dealer's sales or service departments. Sometimes, however, despite the best intentions of all concerned, misunderstandings can occur. If your concern has not been resolved to your satisfaction, the following steps should be taken:

STEP ONE: Discuss your concern with a member of dealer management. Normally, concerns can be quickly resolved at that level. If the matter has already been reviewed with the sales, service, or parts manager, contact the owner of the dealer facility or the general manager.

STEP TWO: If after contacting a member of dealer management, it appears your concern cannot be resolved by the dealer without further help contact the Cadillac Customer Assistance Center by

calling 1-800-458-8006. For the Cadillac ELR Customer Assistance Center call 1-855-422-3357 (1-855-4-CAD-ELR). In Canada, contact GM of Canada Customer Care Centre by calling 1-888-446-2000: English, or 1-800-263-7854: French.

For resolution of issues related to the Cadillac Professional Vehicle, contact 1-800-43-FLEET (1-800-433-5338).

We encourage you to call the toll-free number in order to give your inquiry prompt attention. Have the following information available to give the Customer Assistance Representative:

- The Vehicle Identification Number (VIN). This is available from the vehicle registration or title, or the plate above the top of the instrument panel on the driver side, and visible through the windshield.
- The dealer name and location.

The vehicle delivery date and present mileage.

When contacting Cadillac, remember that your concern will likely be resolved at a dealer's facility. That is why we suggest you follow Step One first if you have a concern.

STEP THREE: Both GM and your GM dealer are committed to making sure you are completely satisfied with your new vehicle. However, if you continue to remain unsatisfied after following the procedure outlined in Steps One and Two, you can file with the Better Business Bureau (BBB) Auto Line Program to enforce any additional rights you may have.

The BBB Auto Line Program is an out of court program administered by the Council of Better Business Bureaus to settle automotive disputes regarding vehicle repairs or the interpretation of the New Vehicle Limited Warranty. Although you may be required to resort to this informal

dispute resolution program prior to filing a court action, use of the program is free of charge and your case will generally be heard within 40 days. If you do not agree with the decision given in your case, you may reject it and proceed with any other venue for relief available to you.

Contact the BBB Auto Line Program using the toll-free telephone number or write them at the following address:

BBB Auto Line Program Council of Better Business Bureaus, Inc. 4200 Wilson Boulevard Suite 800 Arlington, VA 22203-1804 1-800-955-5100 www.dr.bbb.org/goauto

This program is available in all 50 states and the District of Columbia. Eligibility is limited by vehicle age, mileage, and other factors. GM reserves the right to change eligibility limitations and/or to discontinue its participation in this program.

Laws in many states permit owners to obtain a replacement vehicle or a refund of the purchase price under certain circumstances. The provisions of these laws vary from state to state. To the extent allowed by state law, GM requires that you first provide us with written notification of any service difficulty you have experienced so that we have an opportunity to make any needed repairs before you are eligible for the remedies provided by these laws. The address for written notification, is in Customer Assistance Offices on page 36.

California Civil Code Section 1793.2(d) requires that, if GM or its representatives are unable to repair a new motor vehicle to conform to the vehicle's applicable express warranties after a reasonable number of attempts. GM shall either replace the new motor vehicle or reimburse the buver the amount paid or payable by the buyer. California Civil Code Section 1793.22(b) creates a presumption that GM has had a reasonable number of attempts to conform the vehicle to its applicable express warranties if, within 18 months from delivery to the buyer or 18,000 miles on the vehicle's odometer. whichever occurs first, one or more of the following occurs:

The same nonconformity results in a condition that is likely to cause death or serious bodily injury if the vehicle is driven AND the nonconformity has been subject to repair two or more times by GM or its agents AND the buyer or lessee has

- directly notified GM of the need for the repair of the nonconformity.
- The same nonconformity has been subject to repair four or more times by GM or its agents AND the buyer has notified GM of the need for the repair of the nonconformity.
- The vehicle is out of service by reason of repair nonconformities by GM or its agents for a cumulative total of more than 30 calendar days after delivery of the vehicle to the buver.

NOTICE TO GENERAL MOTORS AS REQUIRED ABOVE SHALL BE SENT TO THE FOLLOWING ADDRESS:

General Motors LLC P.O. Box 33170 Detroit. MI 48232-5170

When you make an inquiry, you will need to give the year, model, and mileage of your vehicle and your VIN.

Cadillac is proud of the protection afforded by its warranty coverages. In order to achieve maximum customer satisfaction, there may be times when Cadillac will establish a special coverage adjustment program to pay all or part of the cost of certain repairs not covered by the warranty or to reimburse certain repair expenses you may have incurred. Check with your Cadillac dealer or call the Cadillac Customer Assistance Center to determine whether any special coverage adjustment program is applicable to vour vehicle.

When you make an inquiry, you will need to give the year, model, and mileage of your vehicle and your VIN.

Cadillac encourages customers to call the toll-free telephone number for assistance. However, if you wish to write or e-mail Cadillac, refer to the address below.

United States

Cadillac Customer Assistance Center P.O. Box 33169 Detroit, MI 48232-5169 www.Cadillac.com

1-800-458-8006 Cadillac ELR: 1-855-422-3357 (1-855-4-CAD-ELR) 1-800-833-2622 (For Text Telephone devices (TTYs)) Roadside Service: 1-800-224-1400 1-855-422-3357 (ELR)

From Puerto Rico:

1-800-496-9992 (English) 1-800-496-9993 (Spanish)

From U.S. Virgin Islands:

1-800-496-9994

Canada

Customer Care Centre, CA1-163-005 General Motors of Canada Limited 1908 Colonel Sam Drive Oshawa, Ontario L1H 8P7 www.gm.ca

1-800-263-3777 English) 1-800-263-7854 (French) 1-800-263-3830 (For Text Telephone devices (TTYs)) Roadside Assistance: 1-800-882-1112 To assist customers who are deaf or hard of hearing and who use Text Telephones (TTYs), Cadillac has TTY equipment available at its Customer Assistance Center and Roadside Assistance Center.

The TTY for the Cadillac Customer Assistance Center is:

1-800-833-2622 in the United States 1-800-263-3830 in Canada

The TTY for the Cadillac Roadside Assistance Center is:

1-888-889-2438 in the U.S.

38 Roadside Assistance Program

Cadillac is proud to offer the response, security, and convenience of Cadillac's 24-Hour Roadside Service Program for a period of 6 years or 70,000 miles, whichever comes first. Consult your dealer or refer to the owner manual for details. The Cadillac Roadside Assistance Center can be reached by calling 1-800-224-1400 (ELR 1-888-811-1926).

Roadside Assistance is not part of or included in the coverage provided by the New Vehicle Limited Warranty. General Motors and General Motors of Canada Limited reserve the right to make any changes or discontinue the Roadside Assistance program at any time without notification.

If your vehicle requires warranty repairs during the 6 year/70,000 mile (8 year/100,000 mile for the ELR) coverage period, alternate transportation and/or reimbursement of certain transportation expenses may be available under the Courtesy Transportation Program . Several transportation options are available. Consult your dealer or refer to the owner manual for details

Courtesy Transportation is not part of or included in the coverage provided by the New Vehicle Limited Warranty. General Motors and General Motors of Canada Limited reserve the right to make any changes or discontinue the Courtesy Transportation program at any time without notification.

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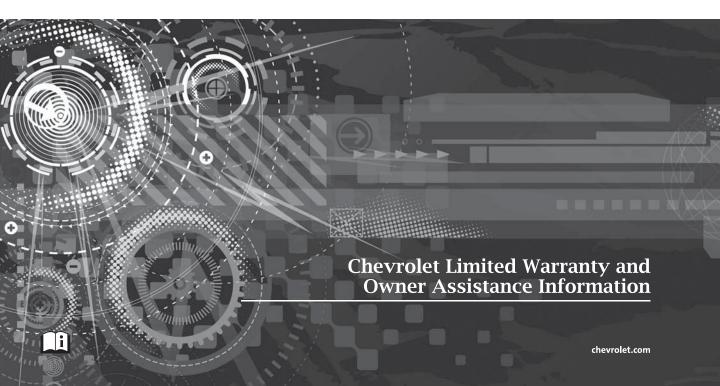
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EXHIBIT 3





| IMPORTANT: This booklet contains important information about the vehicle's warranty coverage. It also explains owner assistance information and GM's participation in an Alternative Dispute Resolution Program. |
|---|
| Keep this booklet with your vehicle and make it available to a Chevrolet dealer if warranty work is needed. Be sure to keep it with your vehicle if you sell it so future owners will have the information. |
| Owner's Name: |
| Street Address: |
| City & State: |
| Vehicle Identification Number (VIN): |
| Date Vehicle First Delivered or Put In Use: |
| Odometer Reading on Date Vehicle First Delivered or Put In Use: |

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Part No. 23133526 C Third Printing

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GM's Commitment

GM is committed to ensuring satisfaction with your new vehicle.

Your dealer also wants you to be completely satisfied and invites you to return for all your service needs, both during and after the warranty period.

Owner Assistance

The dealer is best equipped to provide all your vehicle's service needs. Should you ever encounter a problem that is not resolved during or after the limited warranty period, talk to a member of dealer management. Under certain circumstances, GM and/or GM dealers may provide assistance after the limited warranty period has expired when the problem results from a defect in material or

workmanship. These instances will be reviewed on a case-by-case basis. If the issue has not been resolved to your satisfaction, follow the Customer Satisfaction Procedure \$31.

We thank you for choosing GM.

GM Participation in an Alternative Dispute Resolution Program

Warranty Service United States, Canada, and Mexico

The selling dealer has invested in the proper tools, training, and parts inventory to ensure that any necessary warranty repairs can be made to your GM vehicle. GM requests that the vehicle be returned to the selling dealer for all warranty repairs. If a situation or event occurs where you are significantly inconvenienced, an authorized GM dealer can make the warranty repairs. However, in the event the dealer is not able to perform the repair due to the special tool and training requirements, contact the Customer Assistance Offices \$\prightarrow\$ 36. If you are unable to return to the selling dealer, contact a GM dealer in the United States. Canada or Mexico for warranty service.

The warranty coverages are summarized below.

New Vehicle Limited Warranty Bumper-to-Bumper (Includes Tires)

 Coverage is for the first 3 years or 36,000 miles, whichever comes first.

Powertrain

Coverage is for the first 5 years or 60,000 miles whichever comes first. Coverage for 2500 and 3500 series Heavy Duty (HD) Pickups equipped with a 6.6L Duramax, certain commercial fleet, and/or government fleet vehicles is 5 years or 100,000 miles, whichever comes first. Please refer to your Chevrolet dealer for details..

Sheet Metal

 Corrosion coverage is for the first 3 years or 36,000 miles, whichever comes first. Rust-through coverage is for the first 6 years or 100,000 miles, whichever comes first.

Emission Control System Warranty

For light duty trucks, see How to Determine the Applicable Emissions Control Systems Warranty under *Emission Control Systems Warranty* \Rightarrow 21 for more information.

Federal

- Gasoline Engines and Car Diesel Engines
 - Defects and performance for cars and light duty truck emission control systems are covered for the first 2 years or 24,000 miles, whichever comes first. From the first 2 years or 24,000 miles to 3 years or 36,000 miles defects in material or workmanship continue to be covered under the New Vehicle Limited Warranty Bumper-to-Bumper coverage explained previously. Specified major components are

- covered for the first 8 years or 80,000 miles, whichever comes first.
- Defects and performance for heavy duty truck emission control systems are covered for the first 5 years or 50,000 miles, whichever comes first.
- 6.6L Duramax[®] Diesel Engines are covered for the first 5 years or 50,000 miles, whichever comes first.

California

- Gasoline Engines and Car Diesel Engines
 - Defects and performance for cars and trucks with light duty or medium duty emission control systems are covered for the first 3 years or 50,000 miles, whichever comes first.
 - Specified components for cars or light duty trucks equipped with light duty or medium duty truck emission control systems

are covered for the first 7 years or 70,000 miles, whichever comes first.

- 6.6L Duramax Diesel Engines
 - Defects and performance for the emission control systems are covered for the first 5 years or 50,000 miles, whichever comes first.
 - Specified components for the emission control system are covered for the first 7 years or 70,000 miles, whichever comes first.

Noise Emissions

 Coverage is for applicable vehicles weighing over 10,000 lbs based on the Gross Vehicle Weight Rating (GVWR) only, for the entire life of the vehicle. GM will provide for repairs to the vehicle during the warranty period in accordance with the following terms, conditions, and limitations.

What Is Covered

Warranty Applies

This warranty is for GM vehicles registered in the United States and normally operated in the United States or Canada, and is provided to the original and any subsequent owners of the vehicle during the warranty period.

Repairs Covered

The warranty covers repairs to correct any vehicle defect, not slight noise, vibrations, or other normal characteristics of the vehicle due to materials or workmanship occurring during the warranty period. Needed repairs will be performed using new, remanufactured, or refurbished parts.

No Charge

Warranty repairs, including towing, parts, and labor, will be made at no charge.

Obtaining Repairs

To obtain warranty repairs, take the vehicle to a Chevrolet dealer facility within the warranty period and request the needed repairs. Reasonable time must be allowed for the dealer to perform necessary repairs.

Warranty Period

The warranty period for all coverages begins on the date the vehicle is first delivered or put in use and ends at the expiration of the coverage period.

Bumper-to-Bumper Coverage

The complete vehicle is covered for 3 years or 36,000 miles, whichever comes first, except for other coverages listed here under "What Is Covered" and those items listed under "What Is Not Covered" later in this section.

Powertrain Component Warranty Coverage

Coverage is for the first 5 years or 60,000 miles whichever comes first. Coverage for 2500 and 3500 series

Heavy Duty (HD) Pickups equipped with a 6.6L Duramax, certain commercial fleet, and/or government fleet vehicles is 5 years or 100,000 miles, whichever comes first. Please refer to your Chevrolet dealer for details. Exceptions to coverages are listed here under "What Is Covered" and those items listed under "What Is Not Covered" later in this section.

Engine Coverage includes: All internally lubricated parts, engine oil cooling hoses and lines. Also included are all actuators and electrical components internal to the engine (e.g., Active Fuel Management Valve Lifter Oil Manifold) cylinder head, block. timing gears, timing chain, timing cover, oil pump/oil pump housing, OHC carriers, valve covers, oil pan, seals, gaskets, manifolds, flywheel, water pump, harmonic balancer, engine mount, turbocharger, and supercharger. Timing belts, and other associated components required in the timing belt service

replacement procedure are covered until the first scheduled maintenance interval.

Diesel Components Coverage includes: Parts of the Emissions Reduction System such as the emissions reduction fluid tank, injectors, sensors including NOx and exhaust, and the Exhaust Particulate Filter. Glow Plug Control System: Control/glow plug assembly, glow plugs, cold advance relay, and engine control module. The fuel injection control module, integral oil cooler, transmission adapter plate, common fuel rails, fuel filter assembly, fuel temperature sensor, and function block.

Exclusions: Excluded from the powertrain coverage are sensors, wiring, connectors, engine radiator, coolant hoses, coolant, and heater core. Coverage on the engine cooling system begins at the inlet to the water pump and ends with the thermostat housing and/or outlet that attaches to the return hose. Also excluded is the starter motor, entire pressurized fuel system (in-tank fuel pump, pressure lines,

fuel rail(s), regulator, injectors, and return line) as well as the Engine/Powertrain Control Module and/or module programming.

Transmission/Transaxle Coverage includes: All internally lubricated parts, case, torque converter, mounts, seals, and gaskets as well as any electrical components internal to the transmission/ transaxle. Also covered are any actuators directly connected to the transmission (slave cylinder, etc.).

Exclusions: Excluded from the powertrain coverage are transmission cooling lines, hoses, radiator, sensors, wiring, and electrical connectors. Also excluded are the clutch and pressure plate as well as any Transmission Control Module and/or module programming.

Transfer Case Coverage includes: All internally lubricated parts, case, mounts, seals, and gaskets as well as any electrical components internal to the transfer case. Also covered are any actuators directly connected to the transfer case as well as encoder motor.

Exclusions: Excluded from the powertrain coverage are transfer case cooling lines, hoses, radiator, sensors, wiring, and electrical connectors as well as the transfer case control module and/or module programming.

Drive Systems Coverage includes: All internally lubricated parts, final drive housings, axle shafts and bearings, constant velocity joints, propeller shafts and universal joints. All mounts, supports, seals, and gaskets as well as any electrical components internal to the drive axle. Also covered are any actuators directly connected to the drive axle (e.g., front differential actuator).

Exclusions: Excluded from the powertrain coverage are all wheel bearings, drive wheel front and rear hub bearings, locking hubs, drive system cooling, lines, hoses, radiator, sensors, wiring, and electrical connectors related to drive

New Vehicle Limited Warranty

systems as well as any drive system control module and/or module programming.

Tire Coverage

The tires supplied with your vehicle are covered by General Motors against defects in material or workmanship under the bumper-to-bumper warranty coverage. Wear-out is not considered a defect, and it may occur before the vehicle warranty expires. In this case, the owner is responsible to purchase replacement tires, or seek coverage solely from the tire manufacturer. For vehicles within the bumper-to-bumper warranty coverage, defective tires will be replaced on a prorated adjustment basis according to the following mileage-based schedule:

| Mileage | Replacement Percentage Covered by GM |
|---------------|---|
| 0-12,000 | 100% |
| 12,001-36,000 | Sliding scale starting at 67% at 12,001, proportionately falling (1.96%/1,000 miles) to 20% at 36,000 miles |
| 36,001-50,000 | 20% (Buick and Cadillac Only) |
| 36,001+ | 0% (Chevrolet and GMC Only) |
| 50,001+ | 0% (Buick and Cadillac Only) |

Examples:

| Miles | Coverage | |
|--------|--|--|
| 6,000 | 100% | |
| 12,000 | 100% | |
| 12,001 | 67% | |
| 18,000 | 55.25% | |
| 24,000 | 43.5% | |
| 30,000 | 31.75% | |
| 36,000 | 20% | |
| 48,000 | 20% Buick and Cadillac (0% Chevrolet and GMC) | |

This schedule applies to the price of the tires only. GM will cover 100% of the cost to mount and balance the tires replaced under warranty for the full bumper-to-bumper warranty period.

After your New Vehicle Limited Warranty expires, you may still have prorated warranty coverage on your original equipment tires by the tire manufacturer. Contact your GM dealer or the tire manufacturer of the brand of tires on your vehicle for

more information. The following is a list of current tire manufacturer's websites and toll-free customer assistance numbers.

Tire Companies

| Company | Website | Toll-Free Number |
|--|--|--|
| Bridgestone Americas Tire Operations, LLC | www.bridgestonetire.com | 1-800-356-4644 |
| Continental/General | www.generaltire.com www.continentaltire.com | 1-800-847-3349 1-800-847-3349 |
| Goodyear/Dunlop | www.goodyeartires.com www.dunloptires.com | 1-800-321-2136 |
| Michelin/Uniroyal/Goodrich | www.michelinman.com | 1-800-847-3435 |
| Hankook | www.hankooktireusa.com | 1-877-740-7000 (East) 1-800-426-8252 (West) |
| Kumho | www.kumhousa.com | 1-800-445-8646 |
| Pirelli | www.us.pirelli.com | 1-800-747-3554 |
| Maxxis | www.maxxis.com | 1-866-509-7067 |

When a tire is removed from service due to a covered warranty condition under a tire manufacturer's limited warranty program, you may be eligible for a tire replacement or a comparable new tire on a prorated basis.

The tire manufacturer's limited warranty program, which can be obtained by calling or visiting the tire manufacturer's website or any authorized dealer, is in lieu of all other remedies or warranties, expressed or implied, arising by law or otherwise, including fitness for a particular purpose or merchantability. The tire

manufacturers expressly disclaim liability for indirect, special, incidental, or consequential damages, lost profit, loss of business, loss of goodwill, loss of reputation, punitive or any other damage, cost, or loss of any kind.*

*Some states do not allow the exclusion or limitation of incidental or consequential damages, so the above limitations or exclusion may not apply to you.

Accessory Coverages

Most GM parts and accessories sold and permanently installed on a GM vehicle by a GM Dealer or GM approved Accessory Distributor/ Installer (ADI) prior to delivery will be covered under the applicable portion (Bumper-to-Bumper, Powertrain, etc.) of the New Vehicle Limited Warranty. In the event GM accessories are installed after vehicle delivery, or are replaced under the New Vehicle Limited Warranty, they will be covered, parts and labor, for the balance of the applicable portion of the New Vehicle Limited Warranty, but in no event less than 12 months/ unlimited miles.

GM accessories sold over the counter, or those not requiring installation, will continue to receive

the standard GM Dealer Parts Warranty of 12 months from the date of purchase, parts only.

GM Licensed and Integrated Business Partner (IBP) Accessories are covered under the accessory-specific manufacturer's warranty and are not warranted by GM or its dealers.

Caution

This warranty excludes:

Any communications device that becomes unusable or unable to function as intended due to unavailability of compatible wireless service or GPS satellite signals.

Sheet Metal Coverage

Sheet metal panels are covered against corrosion and rust-through as follows:

Corrosion: Body sheet metal panels are covered against rust for 3 years or 36,000 miles, whichever comes first.

Rust-Through: Any body sheet metal panel that rusts through, an actual hole in the sheet metal, is covered for up to 6 years or 100,000 miles, whichever comes first.

Important: Cosmetic or surface corrosion, resulting from stone chips or scratches in the paint, for example, is not included in sheet metal coverage.

Towing

Towing is covered to the nearest Chevrolet dealer if your vehicle cannot be driven because of a warranted defect.

Diesel Engine Coverage

Coverage is for the first 5 years or 60,000 miles whichever comes first. Coverage for 2500 and 3500 series Heavy Duty (HD) Pickups equipped with a 6.6L Duramax, certain commercial fleet and/or government fleet vehicles is 5 years or 100,000 miles, whichever comes first. Please refer to your Chevrolet dealer for details. For additional

information, refer to *Things to Know About the New Vehicle Limited Warranty* ⇒ 16. Also refer to the appropriate emission control system warranty for possible additional coverages.

What Is Not Covered

Tire and Wheel Damage or Wear

Normal tire wear or wear-out is not covered. Tire wear is influenced by many variables such as road conditions, driving styles, vehicle weight, and tire construction. Uniform tire wear is a normal condition, and is not considered a defect. Road hazard damage such as punctures, cuts, snags, and breaks resulting from pothole impact, curb impact, or from other objects is not covered. Tire wear due to misalignment beyond the warranty period is not covered. Also, damage from improper inflation, overloading, spinning, as when stuck in mud or snow, tire chains, racing, improper mounting or dismounting, misuse, negligence, alteration, improper repair, accident, collision, fire, vandalism,

or misapplication is not covered. Damage to wheels or tire sidewalls caused by automatic car washes or cleaning agents is not covered.

Damage Due to Bedliners

Owners of trucks with a bedliner, whether after-market or factory installed, should expect that with normal operation the bedliner will move. This movement may cause finish damage. Therefore, any damage caused by the bedliner is not covered under the terms of the New Vehicle Limited Warranty.

The factory spray in bedliner (RPO CGN) is not covered for a loss of shine and luster or fading. Refer to the Owner's Manual for more information on spray in bedliner maintenance.

Damage Due to Accident, Misuse, or Alteration

The New Vehicle Limited Warranty does not cover damage caused as the result of any of the following:

 Collision, fire, theft, freezing, vandalism, riot, explosion, or objects striking the vehicle

- Misuse of the vehicle such as driving over curbs, overloading, racing, or other competition.
 Proper vehicle use is discussed in the owner manual.
- Alteration, modification, or tampering to the vehicle, including, but not limited to the body, chassis, powertrain, driveline, software, or other components after final assembly by GM.
- Coverages do not apply if the odometer has been disconnected, its reading has been altered, or mileage cannot be determined.
- Installation of non-GM (General Motors) parts
- Water or fluid contamination
- Damage resulting from hail, floods, windstorms, lightning, and other environmental conditions
- Alteration of glass parts by application of tinting films

Important: This warranty is void on vehicles currently or previously titled as salvaged, scrapped, junked, or otherwise considered a total loss.

Damage or Corrosion Due to Environment, Chemical Treatments, or Aftermarket Products

Damage caused by airborne fallout, rail dust, salt from sea air, salt or other materials used to control road conditions, chemicals, tree sap, stones, hail, earthquake, water or flood, windstorm, lightning, the application of chemicals or sealants subsequent to manufacture, etc., is not covered. See "Chemical Paint Spotting" under *Things to Know About the New Vehicle Limited Warranty* \$ 16.

Damage Due to Insufficient or Improper Maintenance

Damage caused by failure to follow the recommended maintenance schedule intervals and/or failure to use or maintain proper fluids, or maintain fluids between recommended maintenance intervals, fuel, lubricants, or refrigerants recommended in the owner manual is not covered.

Damage Due to Contaminated, Improper, or Poor Quality Fuel

Poor fuel quality or incorrect fuel may cause driveability problems such as hesitation, lack of power, stalling, or failure to start. They may also degrade functionality of critical exhaust emissions components such as spark plugs, oxygen sensors, and the catalytic converter. Damage from poor fuel quality, water contamination, or if the vehicle requires premium fuel, operating the vehicle on gasoline with a Pump Octane less than a 91 (R+M)/2, may not be covered.

Prohibited fuels are: Gasolines containing any methanol, MMT, an organometallic octane enhancing additive, and/or fuels containing more than 15% ethanol in non-Flex Fuel Vehicles (FFV).

Please refer to your owner manual under "Fuel," for additional recommendations, including the use of TOP TIER Detergent Gasoline.

Additional information can also be found at: www.toptiergas.com/index.html.

Damage Due to Impact, Use, or the Environment

Windshield or glass cracks, chips, or scratches due to impact are not covered. Windshield cracks will be covered for the first 12 months, regardless of mileage if caused by defects in material or workmanship.

Lights, lenses, mirrors, paint, grille, moldings, and trim are not covered for cracks, chips, scratches, dents, dings, and punctures or tears as a result of impact with other objects or road hazards. In addition, cracks, chips, scratches, or other damage to the face of a radio or instrument cluster from impact or foreign objects are not covered.

Third Party Externally Connected Electrical Products

This warranty does not apply to hardware or software of a third party device that is connected to the vehicle or its components, even if integrated or delivered with the vehicle. GM is not responsible for the quality or accuracy of any information, or service accessed through or from any third party device or platform. Software distributed by GM inside or outside the vehicle (including, but not limited to system software or applications) is not covered by this Warranty. GM does not warrant that connections to, from or through the vehicle will be uninterrupted or error-free. Also, the user should back-up their data and information frequently. GM is not responsible for any loss or damage to data or information made available in connection with the use of the vehicle. In addition, this Warranty does not apply: (a) to consumable parts that are designed to diminish over time, unless failure has occurred due to a defect in materials or workmanship; (b) to damage caused by use with another product or service; (c) to damage caused by a third party device or service (including upgrades and expansions), or (d) to obsolescence or lack of utility due to incompatibility with future versions

of external hardware or software, including, but not limited to mobile devices.

Maintenance

All vehicles require periodic maintenance. Maintenance services, such as those detailed in the owner manual are the owner's expense. Vehicle lubrication, cleaning, or polishing are not covered. Failure of or damage to components requiring replacement or repair due to vehicle use, wear, exposure, or lack of maintenance is not covered.

Items such as:

- Audio System Cleaning
- Brake Pads/Linings
- Clutch Linings
- Coolants and Fluids
- Filters
- Keyless Entry (or other remote transmitter/receiver batteries)*
- Limited Slip Rear Axle Service
- Tire Rotation

- Wheel Alignment/Balance**
- Wiper Inserts

are covered up to the first maintenance inspection period outlined in the owner manual. Any replacement at the time of, or beyond the maintenance inspection period is considered maintenance, and is not covered as part of the New Vehicle Limited Warranty. The New Vehicle Limited Warranty only covers components when replacement or repair of these components is the result of a defect in material or workmanship.

- * Consumable battery covered up to 12 months only.
- ** Maintenance items after 7.500 miles.

Extra Expenses

Economic loss or extra expense is not covered.

Examples include:

- Inconvenience
- Lodging, meals, or other travel costs

- Loss of vehicle use
- Payment for loss of time or pay
- State or local taxes required on warranty repairs
- Storage

Other Terms: This warranty gives you specific legal rights and you may also have other rights which vary from state to state.

GM does not authorize any person to create for it any other obligation or liability in connection with these vehicles. Any implied warranty of merchantability or fitness for a particular purpose applicable to this vehicle is limited in duration to the duration of this written warranty. Performance of repairs and needed adjustments is the exclusive remedy under this written warranty or any implied warranty. GM shall not be liable for incidental or consequential damages, such as, but not limited to, lost wages or vehicle rental expenses, resulting from breach of this written warranty or any implied warranty.*

* Some states do not allow limitations on how long an implied warranty will last or the exclusion or limitation of incidental or consequential damages, so the above limitations or exclusions may not apply to you.

Chevrolet Volt, Spark EV, and Malibu Hybrid

For vehicles sold in the United States, in addition to the Bumper-to-Bumper Coverage described previously, General Motors will warrant certain components for each Chevrolet Volt, and Spark EV, and Malibu Hybrid for 8 years or 100,000 miles (160 000 kilometers), whichever comes first, from the original in-service date of the vehicle, against warrantable repairs to the specific electric propulsion components of the vehicle.

For vehicles sold in Canada, in addition to the Base Warranty Coverage described in the GM Canadian Limited Warranty, Maintenance and Owner Assistance booklet, General Motors of Canada

Limited will warrant certain components for Chevrolet Volt, Spark EV, and Malibu Hybrid for 8 years or 100,000 miles (160,000 kilometers), whichever comes first, from the original in-service date of the vehicle, against warrantable repairs to the specific electric propulsion components of the vehicle.

This warranty is for the Chevrolet Volt, Spark EV, and Malibu Hybrid vehicles registered and normally operated in the United States or Canada, respectively. In addition to the initial owner of the vehicle, the coverage described in this Chevrolet Volt, Spark EV, and Malibu Hybrid warranty is transferable at no cost to any subsequent person(s) who assumes ownership of the vehicle within the 8 years or 160 000 kilometers (100,000 miles) term. No deductibles are associated with this warrantv.

This warranty is in addition to the express conditions and warranties described previously. The coverage and benefits described under "New

Vehicle Limited Warranty" are not extended or altered because of this special Hybrid Component Warrantv.

What Is Covered

This warranty covers repairs to Hybrid specific component defect related to materials or workmanship occurring during the 8 year or 160 000 kilometers (100,000 miles) term for the following:

Towing

During the 8 year or 160 000 kilometers (100,000 miles) Hybrid warranty period, towing is covered to the nearest Chevrolet servicing dealer if your vehicle cannot be driven because of a warranted Hybrid specific defect. Contact the GM Roadside Assistance Center for towing, Refer to the Owner's Manual for details.

Drive Motor Battery Coverage

Propulsion Battery Warranty Policy (Chevrolet Volt and Spark EV)

Like all batteries, the amount of energy that the high voltage "propulsion" battery can store will decrease with time and miles driven. Depending on use, the battery may degrade as little as 10% to as much as 40% of capacity over the warranty period. If there are questions pertaining to battery capacity, a dealer service technician could determine if the vehicle is within parameters.

Hybrid Battery (Malibu Hybrid)

Content Under Heading: Battery and Internal Components, Modules, and Fan

Repair (If Necessary)

Chevrolet has a network of Volt. Spark EV, and Malibu Hybrid dealers who are trained to perform repairs, if your vehicle needs battery service.

Replace (If Necessary)

If warranty repair requires replacement, the high voltage battery may be replaced with either a new or factory refurbished high voltage battery with an energy capacity (kWh storage) level at or within approximately 10% of that of the original battery at the time of warranty repair.

Your Electric Propulsion battery warranty replacement may not return your vehicle to an "as new" condition, but it will make your vehicles fully operational appropriate to its age and mileage.

Other Electric/Hybrid Components

High Voltage Wiring, Hybrid Powertrain and Battery Control Modules, Air Compressor Control Module (Except Malibu Hybrid), Accessory DC Power Control Module, High Voltage Battery Disconnect Control Module, Drive Motor Generator Power Invertor Module, Battery Charger Control Module.

Brakes

Brake Modulator Assembly

Electric/Hybrid Drive Unit

Electric drive unit assembly electric motors, and all internal components, including the auxiliary fluid pump, auxiliary pump controller, electric motor, and 3-phase cables.

What Is Not Covered

In addition to the "What is Not Covered" section previously, the Chevrolet Volt, Spark EV, and Malibu Hybrid specific warranty does not cover the following items:

Wear Items

Wear items, such as brake linings, are not covered in the Chevrolet Volt, Spark EV, and Malibu Hybrid specific warranty.

Warranty Repairs – Component Exchanges

In the interest of customer satisfaction, GM may offer exchange service on some vehicle components. This service is intended to reduce the amount of time your vehicle is not available for use due to repairs. Components used in exchange are service replacement parts that may be new, remanufactured, or refurbished.

Remanufactured parts meet GM approved service part requirements and are made from previously used components in a process that involves disassembly, inspection, cleaning, update of software and replacement of parts as appropriate, testing and reassembly.

Refurbished parts meet GM approved service part requirements and are previously used parts that are inspected, cleaned, tested, and repackaged.

All exchange components used meet GM standards and are warranted the same as new components. Examples of the types

of components that might be serviced in this fashion include: engine and transmission assemblies, instrument cluster assemblies, radios, compact disc players, batteries, and powertrain control modules.

Warranty Repairs – Recycled Materials

Environmental Protection Agency (EPA) guidelines and GM support the capture, purification, and reuse of automotive air conditioning refrigerant gases and engine coolant. As a result, any repairs GM may make to your vehicle may involve the installation of purified reclaimed refrigerant and coolant.

Tire Service

Any authorized Chevrolet or tire dealer for your brand of tires can assist you with tire service. If, after contacting one of these dealers, you need further assistance or you have questions, contact the Chevrolet Customer Assistance Center. The

toll-free telephone numbers are listed under *Customer Assistance Offices* ⇒ 36.

Diesel Engine Components

For trucks equipped with a Diesel Engine, the complete engine assembly, including turbocharger components, is covered for defects in material or workmanship 5 years or 60,000 miles whichever comes first. Coverage for 2500 and 3500 series Heavy Duty (HD) Pickups equipped with a 6.6L Duramax, certain commercial fleet and/or government fleet vehicles is 5 years or 100,000 miles, whichever comes first. Please refer to your Chevrolet dealer for details.

 Cylinder block and heads and all internal parts, intake and exhaust manifolds, timing gears, timing gear chain or belt and cover, flywheel, harmonic balancer, valve covers, oil pan, oil pump, water pump, fuel pump, engine mounts, seals, and gaskets

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- Diesel Fuel Metering System: injection pump, nozzles, high pressure lines, and high pressure sealing devices
- Glow Plug Control System: control/glow plug assembly, glow plugs, cold advance relay, and Engine Control Module (ECM)
- Emissions Reduction System: Emissions Reduction Fluid Tank, Injectors, Sensors including NOx and exhaust, and Exhaust Particulate Filter
- Fuel injection control module, integral oil cooler, transmission adapter plate, left and right common fuel rails, fuel filter assembly, fuel temperature sensor, and function block

Important: Some of these components may also be covered by the Emission Warranty. See *Emission Warranty Parts List* ⇒ 25 for details.

Aftermarket Engine Performance Enhancement Products and Modifications

Some aftermarket engine performance products and modifications promise a way to increase the horsepower and torque levels of your vehicle's powertrain. You should be aware that these products may have detrimental effects on the performance and life of the engine, exhaust emission system, transmission, and drivetrain. The Duramax Diesel Engine, Allison Automatic Transmission®, and drivetrain have been designed and built to offer industry leading durability and performance in the most demanding applications. Engine power enhancement products may enable the engine to operate at horsepower and torque levels that could damage, create failure, or reduce the life of the engine, engine emission system, transmission, and drivetrain. Damage, failure, or reduced life of the engine, transmission, emission system, drivetrain or other vehicle

components caused by aftermarket engine performance enhancement products or modifications may not be covered under your vehicle warranty.

After-Manufacture "Rustproofing"

Your vehicle was designed and built to resist corrosion. Application of additional rust-inhibiting materials is neither necessary nor required under the Sheet Metal Coverage. GM makes no recommendations concerning the usefulness or value of such products.

Application of after-manufacture rustproofing products may create an environment which reduces the corrosion resistance built into your vehicle. Repairs to correct damage caused by such applications are not covered under your New Vehicle Limited Warranty.

Paint, Trim, and Appearance Items

Defects in paint, trim, upholstery, or other appearance items are normally corrected during new

vehicle preparation. If you find any paint or appearance concerns, advise your dealer as soon as possible. Your owner manual has instructions regarding the care of these items.

Vehicle Operation and Care

Considering the investment you have made in your Chevrolet, we know you will want to operate and maintain it properly. We urge you to follow the maintenance instructions in your owner manual.

If you have questions on how to keep your vehicle in good working condition, see your Chevrolet dealer, the place many customers choose to have their maintenance work done. You can rely on your Chevrolet dealer to use the proper parts and repair practices.

Maintenance and Warranty Service Records

Retain receipts covering performance of regular maintenance. Receipts can be very important if a question arises as to whether a malfunction is caused by lack of maintenance or a defect in material or workmanship.

A "Maintenance Record" is provided in the maintenance schedule section of the owner manual for recording services performed.

The servicing dealer can provide a copy of any warranty repairs for your records.

Chemical Paint Spotting

Some weather and atmospheric conditions can create a chemical fallout. Airborne pollutants can fall upon and adhere to painted surfaces on your vehicle. This damage can take two forms: blotchy, ring-shaped discolorations, and/or small irregular dark spots etched into the paint surface.

Although no defect in the factory applied paint causes this, Chevrolet will repair, at no charge to the owner, the painted surfaces of new vehicles damaged by this fallout condition within 12 months or 12,000 miles of purchase, whichever comes first.

Warranty Coverage – Extensions

Time Extensions: The New Vehicle Limited Warranty will be extended one day for each day beyond the first 24 hour period in which your vehicle is at an authorized dealer facility for warranty service. You may be asked to show the repair orders to verify the period of time the warranty is to be extended. Your extension rights may vary depending on state law.

Mileage Extensions: Prior to delivery, some mileage is put on your vehicle during testing at the assembly plant, during shipping, and while at the dealer facility. The dealer records this mileage on the first page of this warranty booklet at delivery. For eligible vehicles, this mileage will be added to the mileage limits of the warranty ensuring that you receive full benefit of the coverage. Mileage extension eligibility:

 Applies only to new vehicles held exclusively in new vehicle inventory.

- Does not apply to used vehicles, GM-owned vehicles, dealer owned used vehicles, or dealer demonstrator vehicles.
- Does not apply to vehicles with more than 1,000 miles on the odometer even though the vehicle may not have been registered for license plates.

Warranty Service — Foreign Countries

Touring Owner Service

If you are touring in a foreign country and repairs are needed, take your vehicle to a GM dealer which sells and services Chevrolet vehicles. However, if a Chevrolet dealer cannot be located, significantly inconvenienced customers can take their vehicle to any GM dealer for repairs.

Important: Repairs made necessary by the use of improper or dirty fuels and lubricants are not covered under the warranty. See your owner manual for additional information on fuel requirements when operating in foreign countries.

Permanent Relocation

This warranty applies to GM vehicles registered in the United States and normally operated in the United States, Canada, or Mexico. If you have permanently relocated and established household residency in another country, GM may authorize the performance of repairs under the warranty authorized for vehicles generally sold by GM in that country. Contact an authorized GM dealer in your country for assistance.

Important: GM warranty coverages may be void on GM vehicles that have been imported/exported for resale.

Original Equipment Alterations

This warranty does not cover any damage or failure resulting from modification or alteration to the vehicle's original equipment as manufactured or assembled by General Motors. Examples of the types of alterations that would not be covered include cutting, welding,

or disconnecting of the vehicle's original equipment parts and components.

Additionally, General Motors does not warranty non-GM parts, calibrations, and/or software modifications. The use of parts, control module calibrations, software modifications, and/or any other alterations not issued through General Motors will void the warranty coverage for those components that are damaged or otherwise affected by the installation of the non-GM part, control module calibration, software modification, and/or other alteration.

The only exception is that non-GM parts labeled "Certified to EPA Standards" are covered by the Federal Emissions Performance Warranty.

Recreation Vehicle and Special Body or Equipment Alterations

Installations or alterations to the original equipment vehicle or chassis, as manufactured and assembled by GM, are not covered by this warranty. The special body

company, assembler, or equipment installer is solely responsible for warranties on the body or equipment and any alterations to any of the parts, components. systems, or assemblies installed by GM. Examples include, but are not limited to, special body installations. such as recreational vehicles, the installation of any non-GM part, cutting, welding, or the disconnecting of original equipment vehicle or chassis parts and components, extension of the wheelbase, suspension and driveline modifications, and axle additions.

Pre-Delivery Service

Defects in the mechanical, electrical, sheet metal, paint, trim, and other components of your vehicle may occur at the factory or while it is being transported to the dealer facility. Normally, any defects occurring during assembly are identified and corrected at the factory during the inspection process. In addition, dealers inspect

each vehicle before delivery. They repair any uncorrected factory defects and any transit damage detected before the vehicle is delivered to you.

Any defects still present at the time the vehicle is delivered to you are covered by the warranty. If you find any defects, advise your dealer without delay. For further details concerning any repairs which the dealer may have made prior to you taking delivery of your vehicle, ask your dealer.

Production Changes

GM and GM dealers reserve the right to make changes in vehicles built and/or sold by them at any time without incurring any obligation to make the same or similar changes on vehicles previously built and/or sold by them.

Noise Emissions Warranty for Light Duty Trucks Over 10,000 Lbs Gross Vehicle Weight Rating (GVWR) Only

GM warrants to the first person who purchases this vehicle for purposes other than resale and to each subsequent purchaser of this vehicle, as manufactured by GM, that this vehicle was designed, built, and equipped to conform at the time it left GM's control with all applicable United States EPA Noise Control Regulations.

This warranty covers this vehicle as designed, built, and equipped by GM, and is not limited to any particular part, component, or system of the vehicle manufactured by GM. Defects in design or assembly, or in any part, component, or vehicle system as manufactured by GM, which, at the time it left GM's control, caused noise emissions to exceed Federal Standards, are covered by this warranty for the life of the vehicle.

The emission warranty on your vehicle is issued in accordance with the U.S. Federal Clean Air Act. Defects in material or workmanship in GM emission parts may also be covered under the New Vehicle Limited Warranty Bumper-to-Bumper coverage. There may be additional coverage on GM diesel engine vehicles. In any case, the warranty with the broadest coverage applies.

What Is Covered

The parts covered under the emission warranty are listed under the "Emission Warranty Parts List" later in this section.

How to Determine the Applicable Emissions Control System Warranty

State and Federal agencies may require a different emission control system warranty depending on:

 Whether the vehicle conforms to regulations applicable to light duty or heavy duty emission control systems. Whether the vehicle conforms to or is certified for California regulations in addition to U.S. EPA Federal regulations.

All vehicles are eligible for Federal Emissions Control System Warranty Coverage. If the emissions control label contains language stating the vehicle conforms to California regulations, the vehicle is also eligible for California Emissions Control System Warranty Coverage.

Federal Emission Control System Warranty

Federal Warranty Coverage

- Car or Light Duty Truck with a Gross Vehicle Weight Rating (GVWR) of 8,500 lbs. or less
 - 2 years or 24,000 miles and 8 years or 80,000 miles for the catalytic converter, vehicle/ powertrain control module, transmission control module or other onboard emissions diagnostic device, including emission-related software, whichever comes first.

- Light Duty Truck equipped with Heavy Duty Gasoline Engine and with a Gross Vehicle Weight Rating (GVWR) greater than 8.500 lbs.
 - 5 years or 50,000 miles, whichever comes first.
- Light Duty Truck equipped with Heavy Duty Diesel Engine and with a Gross Vehicle Weight Rating (GVWR) greater than 8,500 lbs.
 - 5 years or 50,000 miles, whichever comes first.

Federal Emission Defect Warranty

GM warrants to the owner the following:

- The vehicle was designed, equipped, and built so as to conform at the time of sale with applicable regulations of the Federal Environmental Protection Agency (EPA).
- The vehicle is free from defects in materials and workmanship which cause the vehicle to fail to

conform with those regulations during the emission warranty period.

Emission-related defects in the genuine GM parts listed under the Emission Warranty Parts List, including related diagnostic costs, parts, and labor are covered by this warranty.

Federal Emission Performance Warranty

Some states and/or local jurisdictions have established periodic vehicle Inspection and Maintenance (I/M) programs to encourage proper maintenance of your vehicle. If an EPA-approved I/M program is enforced in your area, you may also be eligible for Emission Performance Warranty coverage when all three of the following conditions are met:

 The vehicle has been maintained and operated in accordance with the instructions for proper maintenance and use set forth in the owner manual supplied with your vehicle.

- The vehicle fails an EPA-approved I/M test during the emission warranty period.
- The failure results, or will result, in the owner of the vehicle having to bear a penalty or other sanctions, including the denial of the right to use the vehicle, under local, state, or federal law.

GM warrants that your dealer will replace, repair, or adjust to GM specifications, at no charge to you, any of the parts listed under the *Emission Warranty Parts List* \Rightarrow 25, which may be necessary to conform to the applicable emission standards. Non-GM parts labeled "Certified to EPA Standards" are covered by the Federal Emission Performance Warranty.

California Emission Control System Warranty

This section outlines the emission warranty that GM provides for your vehicle in accordance with the California Air Resources Board. Defects in material or workmanship in GM emission parts may also be covered under the New Vehicle

Limited Warranty

Bumper-to-Bumper coverage. There may be additional coverage on GM diesel engine vehicles. In any case, the warranty with the broadest coverage applies.

This warranty applies if your vehicle meets both of the following requirements:

- Your vehicle is registered in California or other states adopting California emission and warranty regulations.*
- Your vehicle is certified for sale in California as indicated on the vehicle's emission control information label.
- * Important: Connecticut, Delaware, Maine, Maryland, Massachusetts, New Jersey, New York, Oregon, Pennsylvania, Rhode Island, Vermont, and Washington have California Emissions Warranty coverage.

California Partial Zero Emission Vehicles (PZEV) have extended coverage on all emission-related parts. Important: California, Connecticut, Maine, Maryland, Massachusetts, New Jersey, New York, Rhode Island, and Vermont have PZEV Emission Warranty Coverage. (Oregon has PZEV Hybrid battery 10 years/150,000 mile coverage only).

Your Rights and Obligations (For Vehicles Subject to California Exhaust Emission Standards)

The California Air Resources Board and General Motors are pleased to explain the emission control system warranty on your vehicle. In California, new motor vehicles must be designed, built, and equipped to meet the state's stringent anti-smog standards. GM must warrant the emission control system on your vehicle for the periods of time and mileage listed provided there has been no abuse, neglect, or improper maintenance of your vehicle. Your vehicle's emission control system may include parts such as the fuel injection system, ignition system, catalytic converter, and engine

computer. Also included are hoses, belts, connectors, and other emission-related assemblies.

Where a warrantable condition exists, GM will repair your vehicle at no cost to you including diagnosis, parts, and labor.

California Emission Defect and Emission Performance Warranty Coverage

For cars and trucks with light duty or medium duty emissions:

- For 3 years or 50,000 miles (5 years or 50,000 miles for Duramax Diesel), whichever comes first:
 - If your vehicle fails a smog check inspection, GM will make all necessary repairs and adjustments to ensure that your vehicle passes the inspection. This is your Emission Control System Performance Warranty.
 - If any emission-related part on your vehicle is defective, GM will repair or replace it. This is

your Short-term Emission Control Systems Defects Warranty.

- For 7 years or 70,000 miles, whichever comes first:
 - If an emission-related part listed in this booklet specially noted with coverage for 7 years or 70,000 miles is defective, GM will repair or replace it. This is your Long-term Emission Control Systems Defects Warranty.
- For 8 years or 80,000 miles, whichever comes first:
 - If the catalytic converter, vehicle powertrain control module, transmission control module, or other onboard emissions diagnostic device, including emission-related software, is found to be defective, GM will repair or replace it under the Federal Emission Control System Warranty.

- For 15 years or 150,000 miles, whichever comes first for a Partial Zero Emission Vehicle (PZEV):
 - If any emission-related part* listed in this booklet is defective, GM will repair or replace it. This is your (PZEV) Emission Control System Defects Warranty.
- * PZEV Hybrid Batteries and Hybrid A/C compressor are covered for 10 years or 150,000 miles, whichever comes first.

Any authorized Chevrolet dealer will, as necessary under these warranties, replace, repair, or adjust to GM specifications any genuine GM parts that affect emissions.

The applicable warranty period shall begin on the date the vehicle is delivered to the first retail purchaser or, if the vehicle is first placed in service as a demonstrator or company vehicle prior to sale at retail, on the date the vehicle is placed in such service.

Owner's Warranty Responsibilities

As the vehicle owner, you are responsible for the performance of the scheduled maintenance listed in your owner manual. GM recommends that you retain all maintenance receipts for your vehicle, but GM cannot deny warranty coverage solely for the lack of receipts or for your failure to ensure the performance of all scheduled maintenance.

You are responsible for presenting your vehicle to a GM dealer selling your vehicle line as soon as a problem exists. The warranted repairs should be completed in a reasonable amount of time, not to exceed 30 days.

As the vehicle owner, you should also be aware that GM may deny warranty coverage if your vehicle or a part has failed due to abuse, neglect, improper or insufficient maintenance, or modifications not approved by GM.

If you have any questions regarding your rights and responsibilities under these warranties, you should contact the Customer Assistance Center at 1-800-222-1020. Spark EV call 855-4-SPARK-INFO (855-477-2754 For Volt call 1-877-486-5846 (1-877-4-Volt Info) or, in California, write to:

State of California Air Resources Board Mobile Source Operations Division P.O. Box 8001 El Monte, CA 91731-2990 The emission parts listed here are covered under the Emission Control System Warranty. The terms are explained in the Emission Control Systems Warranty ⇒ 21 under "Federal Emission Control System Warranty" and the "California Emission Control System Warranty."

Important: Certain parts may be covered beyond these warranties if shown with asterisk(s) as follows:

- (*) 7 years/70,000 miles, whichever comes first. California **Emission Control System** Warranty coverage.
- (**) 8 years/80,000 miles, whichever comes first. Federal **Emission Control System** Warranty coverage. (Also applies to California certified light duty and medium duty vehicles.)

All listed parts 15 years/ 150,000 miles, whichever comes first, on California PZEV (NU6) vehicles registered in a PZEV state except Hybrid batteries and Hybrid

A/C compressors, which are covered for 10 years/150,000 miles. whichever comes first

Powertrain Control System

Accelerator Pedal Position Sensor

Alternator (Chevrolet Colorado and **GMC Canyon with Duramax** Diesel only)

Camshaft Position Actuator * Camshaft Position Actuator Valve Coolant Sensor

Data Link Connector

Engine Control Module (ECM) **

Engine Coolant Temperature Sensor Fuel Control Module **

Flex Fuel Sensor

Humidity Sensor

Intake Air Temperature Sensor

Malfunction Indicator Lamp

Manifold Absolute Pressure Sensor

Mass Air Flow Sensor

Outside Air Temperature Sensor

Oxygen Sensor(s)

Powertrain Control Module (PCM) **

Thermostat

Throttle Position Sensor

Vehicle Control Module (VCM) **

Vehicle Speed Sensor

Transmission Controls and **Torque Management**

Control Solenoids and Pressure Switches

Clutch Solenoids and Switches

Internal Mode Switch

Park/Neutral Switch

Transmission Control Module **

Transmission Fluid Temperature Sensor

Transmission Speed Sensors

Fuel Management System

AFM Fuel Pump Power Module

AFM Exhaust Valves and Controller

Diesel Fuel Injection Pump *

Diesel Direct Fuel Injector Assembly*

Fuel Injector

26 Emission Warranty Parts List

Fuel Pressure Regulator Fuel Pressure Sensor Fuel Rail Assembly Fuel Tank Fuel Pump Fuel Temperature Sensor High Pressure Fuel Pump (SIDI) Air Management System Active Aero Shutters and Controller Air Cleaner Air Intake Ducts Charge Air Cooler * Charge Air Cooler Control Idle Air Control Valve Idle Speed Control Motor Intake Air Heater Intake Manifold Intake Manifold Gasket Intake Manifold Tuning Valve Supercharger* Throttle Body Turbocharger* Turbocharger Pressure Sensor

Ignition System

Camshaft Position Sensor(s)

Crankshaft Position Sensor(s)

Glow Plug(s) (Diesel)

Glow Plug Controller (Diesel)

Ignition Coil(s)

Ignition Control Module

Knock Sensor

Spark Plug Wires

Spark Plugs

Start/Stop System

Auxiliary Battery or Ultra Capacitor

Battery Isolator

Battery Control Module

Transmission Fluid Accumulator and Solenoid

Catalytic Converter System

Catalytic Converter(s) * **

Diesel Exhaust Temperature and Pressure Sensors

Diesel Particulate Filter (DPF) *

Diesel Particulate Matter Sensor

Diesel Exhaust (DPF) Indirect Fuel Injector

Diesel Exhaust Emission Reduction Fluid Injector

Diesel Exhaust Emission Reduction Fluid Tank

Diesel Exhaust NOx Sensors

Exhaust Manifold

Exhaust Manifold Gasket

Positive Crankcase Ventilation (PCV) System

Oil Filler Cap

PCV Filter

PCV Oil Separator

PCV Valve

Exhaust Gas Recirculation (EGR) System

EGR Feed and Delivery Pipes

EGR Temperatuer Sensor

EGR Valve

EGR Valve Cooler*

Secondary Air Injection System

Air Pump and Check Valves

Evaporative Emission Control System (Gasoline Engines)

Canister

Canister Solenoids and Valves

Fuel Feed and Return Pipes and Hoses

Fuel Filler Cap

Fuel Level Sensor

Fuel Limiter Vent Valve

Fuel Tank(s) *

Fuel Tank Filler Pipe (with restrictor)

Fuel Tank Vacuum or Pressure Sensor

Hybrid

Accm Hood Switch

Auxiliary Transmission Fluid Pump

Battery Cooling Circuit

Battery Control Module **

Battery Pack Current Sensor

Brake Pedal Travel Sensor

Drive Motors and Resolvers*

Drive Motor/Generator Control Module**

Eboost Brake Control Module**

Traction Power Inverter Module (TPIM)**

Electro-Hydraulic Brake Control Module**

Energy Storage Control Module **

Hybrid Batteries *

Hybrid Battery Temp. and Voltage Sensors

Starter Generator*

Starter Generator Control Module **

Starter Generator Drive Belt

SGCM Coolant Circuit (fan, relay, pump)

Wheel Speed Sensor

Voltec/EREV Specific Components

Fuel Fill Door Sensors

High Voltage Battery Contactor

Vehicle Interface Control Module**

Voltec/EREV RESS Battery* **

Onboard Charger* **

Charge Port

Charge Port Switches and Sensors

Voltec/EREV EVAP Canister Assembly

Voltec/EREV RESS Thermal Management:

E-compressor * * *

Port Valves

Battery Temperature Sensors Battery High Voltage Heater

Battery Coolant Pump Power Electronics

Coolant Pump

Air and Coolant Temperature Sensors

Rfg. Temperature and Pressure

Sensors

Miscellaneous Items Used with Above Components and Certain Tires are Covered

Belts

Boots

Clamps

Connectors

Ducts

Fittings

Gaskets

Grommets

Hoses

Housings

Mounting Hardware

Pipes

Pulleys

Sealing Devices

Springs

Tubes

Wiring and Relays

Tires (Heavy Duty Applications only 2 yr/24,000 mile Federal Emission Defect Warranty)

Parts specified in your maintenance schedule that require scheduled replacement are covered up to their first replacement interval or the applicable emission warranty coverage period, whichever comes first. If failure of one of these parts results in failure of another part, both will be covered under the Emission Control System Warranty.

For detailed information concerning specific parts covered by these emission control system warranties, ask your dealer.

Replacement Parts

The emission control systems of your vehicle were designed, built, and tested using genuine GM parts* and the vehicle is certified as being in conformity with applicable federal and California emission requirements. Accordingly, it is recommended that any replacement parts used for maintenance or for the repair of emission control systems be new, genuine GM parts.

The warranty obligations are not dependent upon the use of any particular brand of replacement parts. The owner may elect to use non-genuine GM parts for replacement purposes. Use of replacement parts which are not of equivalent quality may impair the effectiveness of emission control systems.

If other than new, genuine GM parts are used for maintenance replacements or for the repair of parts affecting emission control, the owner should assure himself/herself that such parts are warranted by their manufacturer to be equivalent to genuine GM parts in performance and durability.

* "Genuine GM parts," when used in connection with GM vehicles, means parts manufactured by or for GM, designed for use on GM vehicles, and distributed by any division or subsidiary of GM.

Maintenance and Repairs

Maintenance and repairs can be performed by any qualified service outlet; however, warranty repairs must be performed by an authorized dealer except in a situation where the vehicle owner is significantly inconvenienced and when a warranted part or a warranty station is not reasonably available to the vehicle owner.

In a situation where the vehicle owner is significantly inconvenienced, and an authorized dealer is not reasonably available, repairs may be performed at any available service establishment or by the owner, using any replacement part. Chevrolet will consider reimbursement for the expense incurred, including diagnosis, not to exceed the manufacturer's suggested retail price for all warranted parts replaced and labor charges based on Chevrolet's recommended time allowance for the warranty repair and the geographically appropriate labor rate. A part not being available within 10 days or a repair not being completed within 30 days constitutes a significant inconvenience. Retain receipts and failed parts in order to receive compensation for warranty repairs reimbursable due to these situations.

If you are in a situation where you are significantly inconvenienced, and it is necessary to have repairs performed by other than a Chevrolet dealer and you believe the repairs are covered by emission warranties, take the replaced parts and your

receipt to a Chevrolet dealer for reimbursement consideration. This applies to both the Federal Emission Defect Warranty and Federal Emission Performance Warranty.

Receipts and records covering the performance of regular maintenance or other repairs (such as those outlined earlier) should be retained in the event questions arise concerning maintenance. These receipts and records should be transferred to each subsequent owner. GM will not deny warranty coverage solely on the absence of maintenance records. However, GM may deny a warranty claim if a failure to perform scheduled maintenance resulted in the failure of a warranty part.

Claims Procedure

As with the other warranties covered in this booklet, take your vehicle to any authorized Chevrolet dealer facility to obtain service under the emission warranty. This should be done as soon as possible after failing an EPA-approved I/M

test or a California smog check test, or at any time you suspect a defect in a part.

Those repairs qualifying under the warranty will be performed by any Chevrolet dealer at no charge. Repairs which do not qualify will be charged to you. You will be notified as to whether or not the repair qualifies under the warranty within a reasonable time, not to exceed 30 days after receipt of the vehicle by the dealer, or within the time period required by local or state law.

The only exceptions would be if you request or agree to an extension, or if a delay results from events beyond the control of your dealer or GM. If you are not so notified, GM will provide any required repairs at no charge.

In the event a warranty matter is not handled to your satisfaction, refer to the Customer Satisfaction

Procedure

31.

30 Emission Warranty Parts List

For further information or to report violations of the Emission Control System Warranty, you may contact the EPA at:

Manager, Certification and Compliance Division (6405J) Warranty Claims Environmental Protection Agency Ariel Rios Building 1200 Pennsylvania Avenue, N.W. Washington, DC 20460

For a vehicle subject to the California Exhaust Emission

Standards, you may contact the:

State of California Air Resources Board Mobile Source Operations Division P.O. Box 8001 El Monte, CA 91731-2990 Your satisfaction and goodwill are important to your dealer and to Chevrolet. Normally, any concerns with the sales transaction or the operation of your vehicle will be resolved by your dealer's sales or service departments. Sometimes, however, despite the best intentions of all concerned, misunderstandings can occur. If your concern has not been resolved to your satisfaction, the following steps should be taken:

STEP ONE: Discuss your concern with a member of dealer management. Normally, concerns can be quickly resolved at that level. If the matter has already been reviewed with the sales, service, or parts manager, contact the owner of the dealer facility or the general manager.

STEP TWO: If after contacting a member of dealer management, it appears your concern cannot be resolved by the dealer without further help contact the Chevrolet Customer Assistance Center by calling 1-800-222-1020. For Spark EV call 855-4-SPARK-INFO (855-477-2754). For Volt call

1-877-486-5846 (1-877-4-Volt Info). In Canada, contact GM Customer Care Center by calling 1-800-263-3777: English, or 1-800-263-7854: French.

We encourage you to call the toll-free number in order to give your inquiry prompt attention. Have the following information available to give the Customer Assistance Representative:

- The Vehicle Identification
 Number (VIN). This is available
 from the vehicle registration or
 title, or the plate above the top of
 the instrument panel on the
 driver side, and visible through
 the windshield.
- The dealer name and location.
- The vehicle delivery date and present mileage.

When contacting Chevrolet, remember that your concern will likely be resolved at a dealer's facility. That is why we suggest you follow Step One first if you have a concern.

STEP THREE: Both GM and your GM dealer are committed to making sure you are completely satisfied with your new vehicle. However, if you continue to remain unsatisfied after following the procedure outlined in Steps One and Two, you can file with the Better Business Bureau (BBB) Auto Line Program to enforce any additional rights you may have.

The BBB Auto Line Program is an out of court program administered by the Council of Better Business Bureaus to settle automotive disputes regarding vehicle repairs or the interpretation of the New Vehicle Limited Warranty. Although you may be required to resort to this informal dispute resolution program prior to filing a court action, use of the program is free of charge and your case will generally be heard within 40 days. If you do not agree with the decision given in your case, you may reject it and proceed with any other venue for relief available to you.

Contact the BBB Auto Line Program using the toll-free telephone number or write them at the following address:

BBB Auto Line Program Council of Better Business Bureaus, Inc. 3033 Wilson Boulevard Suite 600 Arlington, VA 22201

Telephone: 1-800-955-5100 http://www.bbb.org/council/ programs-services/ dispute-handling-and-resolution/ bbb-auto-line

This program is available in all 50 states and the District of Columbia. Eligibility is limited by vehicle age, mileage, and other factors. GM reserves the right to change eligibility limitations and/or to discontinue its participation in this program.

Laws in many states permit owners to obtain a replacement vehicle or a refund of the purchase price under certain circumstances. The provisions of these laws vary from state to state. To the extent allowed by state law, GM requires that you first provide us with written notification of any service difficulty you have experienced so that we have an opportunity to make any needed repairs before you are eligible for the remedies provided by these laws. The address for written notification, is in Customer

California Civil Code Section 1793.2(d) requires that, if GM or its representatives are unable to repair a new motor vehicle to conform to the vehicle's applicable express warranties after a reasonable number of attempts. GM shall either replace the new motor vehicle or reimburse the buyer the amount paid or payable by the buyer. California Civil Code Section 1793.22(b) creates a presumption that GM has had a reasonable number of attempts to conform the vehicle to its applicable express warranties if, within 18 months from delivery to the buyer or 18,000 miles on the vehicle's odometer. whichever occurs first, one or more of the following occurs:

 The same nonconformity results in a condition that is likely to cause death or serious bodily injury if the vehicle is driven AND the nonconformity has been subject to repair two or more times by GM or its agents AND the buyer or lessee has

- directly notified GM of the need for the repair of the nonconformity.
- The same nonconformity has been subject to repair four or more times by GM or its agents AND the buyer has notified GM of the need for the repair of the nonconformity.
- The vehicle is out of service by reason of repair nonconformities by GM or its agents for a cumulative total of more than 30 calendar days after delivery of the vehicle to the buyer.

NOTICE TO GENERAL MOTORS AS REQUIRED ABOVE SHALL BE SENT TO THE FOLLOWING ADDRESS:

General Motors LLC P.O. Box 33170 Detroit , MI 48232-5170

When you make an inquiry, you will need to give the year, model, and mileage of your vehicle and your VIN.

Chevrolet is proud of the protection afforded by its warranty coverages. In order to achieve maximum customer satisfaction, there may be times when Chevrolet will establish a special coverage adjustment program to pay all or part of the cost of certain repairs not covered by the warranty or to reimburse certain repair expenses you may have incurred. Check with your Chevrolet dealer or call the Chevrolet Customer Assistance Center to determine whether any special coverage adjustment program is applicable to your vehicle.

When you make an inquiry, you will need to give the year, model, and mileage of your vehicle and your VIN.

Chevrolet encourages customers to call the toll-free telephone number for assistance. However, if you wish to write or e-mail Chevrolet, refer to the address below.

United States

Chevrolet Customer Assistance Center P.O. Box 33170 Detroit, MI 48232-5170 www.Chevrolet.com

www.Chevrolet.com 1-800-222-1020 Spark EV 855-4-SPARK-INFO (855-477-2754). Volt 1-877-486-5846 (1-877-4-Volt Info)

1-800-833-2438 (For Text Telephone devices (TTYs)) Roadside Assistance: 1-800-243-8872 Spark EV/Volt 1-888-811-1926

From Puerto Rico:

1-800-496-9992 (English) 1-800-496-9993 (Spanish)

From U.S. Virgin Islands:

1-800-496-9994

Canada

Customer Care Centre, CA1-163-005 General Motors of Canada Limited 1908 Colonel Sam Drive Oshawa, Ontario L1H 8P7 www.gm.ca 1-800-263-3777 (English) 1-800-263-7854 (French)

1-800-263-7854 (French) 1-800-263-3830 (For Text Telephone devices (TTYs)) Roadside Assistance: 1-800-268-6800 To assist customers who are deaf or hard of hearing and who use Text Telephones (TTYs), Chevrolet has TTY equipment available at its Customer Assistance Center and Roadside Assistance Center.

The TTY for the Chevrolet Customer Assistance Center is:

1-800-833-2438 in the United States 1-800-263-3830 in Canada

The TTY for the Chevrolet Roadside Assistance Center is:

1-888-889-2438 in the U.S.

Roadside Assistance is not part of or included in the coverage provided by the New Vehicle Limited Warranty. General Motors and General Motors of Canada Limited reserve the right to make any changes or discontinue the Roadside Assistance program at any time without notification.

If your vehicle requires warranty repairs during the duration of your vehicle's powertrain warranty, alternate transportation and/or reimbursement of certain transportation expenses may be available under the Courtesy Transportation Program. Several transportation options are available. Consult your dealer or refer to the owner manual for details

Courtesy Transportation is not part of or included in the coverage provided by the New Vehicle Limited Warranty. General Motors and General Motors of Canada Limited reserve the right to make any changes or discontinue the Courtesy Transportation program at any time without notification.

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EXHIBIT 4



Pressroom

United States

New 8-Speed Enables Quicker, More Efficient Corvette

GM-designed, patented paddle-shift gearbox rivals dual-clutch performance 2014-08-20

DETROIT – The all-new, GM-developed Hydra-Matic 8L90 paddle-shift eight-speed automatic transmission offered in the 2015 Corvette Stingray and Z06 enhances performance and efficiency, while delivering exceptional refinement and world-class shift responsiveness that rivals the world's best dual-clutch transmissions.

In fact, in the 2015 Corvette Stingray, it enables a class-leading 29-mpg EPA highway estimate – a 3.5-percent increase in fuel economy over the previous six-speed automatic – and a quicker 0-60 time of 3.7 seconds, all while delivering wide-open-throttle upshifts quicker than those of the dual-clutch transmission offered in the Porsche 911.

"GM's new 8L90 eight-speed automatic represents a rare win-win scenario for customers," said Kavoos Kaveh, global chief engineer for eight-speed automatic transmissions. "It offers greater performance and efficiency, while weighing less than the transmission it replaces. That's a rare accomplishment in the industry today – and one for which GM has been awarded more than two dozen patents."

With four simple gearsets for optimal efficiency and five clutches (two brake clutches and three rotating clutches), creative packaging enables the new eight-speed automatic to fit the same space as the previous six-speed automatic – and the powerflow only uses two open clutches for low spin losses, which enhances efficiency. Extensive use of aluminum and magnesium also make it more than eight pounds (4 kg) lighter than the six-speed.

The greater overall performance and efficiency enabled by the 8L90 in the Corvette is due primarily to a new, wider 7.0 overall gear ratio spread, which enhances off-the-line performance with a more aggressive first gear ratio – 4.56 vs. 4.03 on the six-speed – helping achieve the quicker 0-60 time.

The top gear ratio is 0.65 vs. the six-speed's 0.67. Combined with a new, numerically lower 2.41 rear axle ratio in the Stingray vs. the 2.56 gear used with previous six-speed automatic models, engine rpm is reduced by 8 percent (123 rpm) on the highway at 70 mph. The lower engine speed reduces fuel consumption, while a new torque converter design enhances refinement, particularly during low-speed gear changes.

Stingray models equipped with the Z51 Performance Package feature a more aggressive 2.73 axle ratio, while the Corvette Z06 features the 2.41 axle ratio.

Ratios compared: eight-speed automatic vs. six-speed automatic

| | 2015 Corvette Stingray / Z06 | 2014 Corvette Stingray |
|------------------|--|---------------------------------------|
| Туре: | 8L90 eight-speed paddle-shift automatic | 6L80 six-speed paddle-shift automatic |
| Gear ratios (:1) | | |
| First: | 4.56 | 4.03 |
| Second: | 2.97 | 2.36 |

| Third: | 2.08 | 1.53 |
|-------------|---|--------------------------------|
| Fourth: | 1.69 | 1.15 |
| Fifth: | 1.27 | 0.85 |
| Sixth: | 1.00 | 0.67 |
| Seventh: | 0.85 | N/A |
| Eighth | 0.65 | N/A |
| Reverse: | 3.82 | 3.06 |
| Axle ratio: | 2.41 (Stingray / Z06) 2.73 (Stingray with Z51) | 2.56 (std.) 2.73 (with Z51) |

World-class performance

Designed and built by GM, the paddle-shift 8L90 transmission delivers world-class shift times that rival the best dual-clutch designs.

"The Corvette's new eight-speed automatic delivers the comfort and drivability of a true automatic transmission, as well as lightning-fast shifts and the manual control that enhance the performance-driving experience," said Kaveh. "It was designed to enhance the driving experience, with performance on par with dual-clutch designs, but without sacrificing refinement."

For performance driving, the transmission offers full manual control via steering wheel paddles. A new transmission-controls system and unique algorithms deliver shift performance that rivals the dual-clutch/semi-automatic transmissions found in many supercars – but with the smoothness and refinement that comes with a conventional automatic fitted with a torque converter.

In fact, a new, Gen II transmission controller analyzes and executes commands 160 times per second, and wide-open throttle upshifts are executed up to eight-hundredths of a second quicker than those of the dual-clutch transmission offered in the Porsche 911.

Smaller steps between gears, compared to the previous six-speed automatic (see chart above), keep the engine within the sweet spot of the rpm band, making the most of its horsepower and torque to optimize performance and efficiency. Additionally, a torque converter design with a turbine damper complements performance with excellent refinement at low engine speeds.

Unique clutch and torque converter specifications matched to the torque capacity of the Stingray's LT1 6.2L naturally aspirated engine and the Z06's LT4 supercharged engine distinguish the applications for the different Corvette models.

Architectural and design features

More than 550 computer-aided engineering analysis were made during the development of the 8L90 to ensure strength, durability, performance and refinement. The architecture features a one-piece case with an integral bell housing for enhanced powertrain stiffness, as well as a detachable extension for the Corvette's rear transaxle arrangement.

Similar to GM's six-speed automatic design, the eight-speed's architecture locates the grounding clutches rearward of the middle of the structure, outside the gearsets. However, the grounding clutches are splined to the case, eliminating the center support, which reduces weight.

This architecture also features a turbine shaft node that reaches to the outside of the barrel, enabling easy execution of a high-resolution magnetic speed sensor. The turbine shaft itself is very short, keeping oil channel drill lengths to a minimum. The rotating clutches are located near the front of the transmission, with short oil feed channels, supporting the transmission's very fast shifts.

Additional design and performance features include:

- Clutch compensators are fed by lubrication oil rather than the dedicated and regulated feed design of the 6L80. There are two benefits of this new design feature: The reduction of one oil channel between the valve body and the rotating clutches, which reduces the number of rotating oil seals and oil channels within the turbine shaft; and, secondly, the capability for rapid discharge of oil in the compensators during clutch apply, for greater control.
- An industry-first off-axis, chain-driven binary vane-type pump located within the valve body effectively allows for two
 pumps in the packaging size of a single, which contributes to lower parasitic losses and optimal priming capability, as
 well as ideal oil routing to the controls system.
- The binary pump enables a 60-percent reduction in pump torque at points that represent large portions of the operating duty cycle, compared to the 6L80 six-speed, which is a significant contributor to the overall efficiency gains offered by the 8L90.
- The binary pump is located very low in the sump, for greater cold prime operation as low as -40 F (-40 C) and excellent high-speed operation with stable line pressure.
- Thanks to a new torque converter clutch friction lining and a new control strategy, the 8L90's squashed torque converter
 uses conventional dual-path converter feeds.
- New synthetic fluid with improved cold temperature performance and reduced friction characteristics.

Shift time quickness and improved responsiveness are accomplished with the new Gen II controls system. VFS solenoid technology and three internal speed sensors give the 8L90 the capability for world-class shift performance. The new transmission controller is mounted external to the transmission and has a processor that executes hundreds of calculations and commands every 6.25 milliseconds.

The 8L90 is built at GM's Toledo, Ohio, transmission facility.

Founded in 1911 in Detroit, **Chevrolet** is now one of the world's largest car brands, doing business in more than 140 countries and selling more than 4.9 million cars and trucks a year. Chevrolet provides customers with fuel-efficient vehicles that feature spirited performance, expressive design, and high quality. More information on Chevrolet models can be found at www.chevrolet.com.



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Corporate Newsroom

United States

2015 Chevrolet Corvette Z06 is Most Capable, Ever

2014-01-13

- Enters supercar territory with race-proven design, advanced technologies and world-class performance
- With track-focused Z07 performance package, 2015 Corvette Z06 delivers faster lap times than 2013 Corvette ZR1
- First Corvette Z06 to offer supercharged engine, removable roof panel and available paddle-shift automatic transmission

DETROIT – Chevrolet today introduced the most track-capable Corvette in the brand's history – the 2015 Corvette Z06. It stretches the performance envelope for Corvette with unprecedented levels of aerodynamic downforce, at least 625 horsepower from an all-new supercharged engine, and an all-new, high-performance eight-speed automatic transmission – all building on the advanced driver technologies introduced on the Corvette Stingray.

"The new Z06 delivers levels of performance, technology and design that rival the most exotic supercars in the world," said Mark Reuss, president, General Motors North America. "And the Z06 leverages the engineering expertise of GM, offering the choice of two world-class transmissions, supercar performance without supercar fuel consumption and technologies that make it easier to fully enjoy the incredible experience of driving it."

The 2015 model is the first Corvette Z06 to offer a supercharged engine, an automatic transmission and, thanks to a stronger aluminum frame, a removable roof panel. The new, supercharged 6.2L engine is expected to deliver at least 625 horsepower (466 kW), and can be matched with either a seven-speed manual or an all-new, high-performance eight-speed automatic transmission with paddle shifters for manual control. The aluminum frame carries over from the Corvette Stingray and will be used essentially unchanged for the Corvette Racing C7.R.

A track-focused Z07 Performance Package adds unique components for true aerodynamic downforce, Michelin Pilot Super Sport Cup tires for enhanced grip, and Brembo carbon ceramic-matrix brake rotors that improve braking performance and contribute to greater handling through reduced unsprung weight. Although development testing is ongoing, the Z07 package has already recorded some of the fastest lap times ever for a Corvette, surpassing even the ZR1.

"The Corvette Z06 is a great example of the technology transfer between racing and production Corvettes," said Tadge Juechter, Corvette chief engineer. "First, we took what we learned on the Corvette Racing C6.R and applied that to the all-new Corvette Stingray. Then, using the Stingray as a foundation, the Z06 and C7.R were developed to push the envelope of performance on the street and the track."

Supercharged, efficient performance

The heart of the 2015 Corvette Z06 is the all-new LT4 6.2L supercharged V-8 engine, expected to deliver an estimated 625 horsepower (466 kW) and 635 lb-ft of torque (861 Nm). To balance performance and efficiency, the LT4 leverages the same trio of advanced technologies introduced on the Corvette Stingray: Direct injection, Active Fuel Management, or cylinder deactivation, and continuously variable valve timing.

These technologies – combined with the fuel-efficient multi-speed transmissions, aerodynamic design and lightweight construction – help make the new Z06 surprisingly fuel efficient.

"The supercharged LT4 engine delivers the greatest balance of performance and efficiency ever in the Corvette," said John Rydzewski, assistant chief engineer for Small-Block engines. "It is one of the world's only supercharged engines to incorporate

cylinder deactivation technology, enabling it to cruise efficiently on the highway with reduced fuel consumption, but offer more than 600 horsepower whenever the driver calls up its tremendous power reserve."

To maintain the Z06's mass and performance targets, the LT4 engine was designed with a more-efficient, more-compact supercharger. Even with its integrated supercharger/intercooler assembly mounted in the valley between the cylinder heads, the engine is only about one inch (25 mm) taller than the Corvette Stingray's LT1 engine – while delivering nearly 37 percent more horsepower and 40 percent more torque.

The new 1.7L Eaton R1740 TVS supercharger spins at up to 20,000 rpm – 5,000 rpm more than the supercharger on the Corvette ZR1's LS9. The rotors are shorter in length, too, which contributes to their higher-rpm capability – and enables them to get up to speed quicker, producing power-enhancing boost earlier in the rpm band. That boost is achieved more efficiently, thanks to a new, more direct discharge port that creates less turbulence, reducing heat and speeding airflow into the engine.

The LT4 engine also has several unique features designed to support its higher output and the greater cylinder pressures created by forced induction, including:

- Rotocast A356T6 aluminum cylinder heads that are stronger and handle heat better than conventional heads
- · Lightweight titanium intake valves and machined connecting rods for reduced reciprocating mass
- High 10.0:1 compression ratio for a forced-induction engine enhances performance and efficiency and is enabled by direct injection
- Forged aluminum pistons with unique, stronger structure to ensure strength under high cylinder pressures
- · Stainless steel exhaust headers and an aluminum balancer that are lighter than their LT1 counterparts
- Standard dry-sump oiling system with larger cooler capacity than Z51; used with dual-pressure-control oil pump.

The LT4 will be built in Tonawanda, N.Y., and at the new Performance Build Center in Bowling Green, Ky.

Eight speeds, no waiting

The supercharged LT4 is offered with a standard seven-speed manual transmission with Active Rev Match, or an all-new 8L90 eight-speed paddle-shift automatic transmission designed to enhance both performance and efficiency.

"Unlike most ultra-performance cars, the Corvette Z06 offers customers the choice between two transmissions to suit their driving styles," said Juechter. "The seven-speed gives the driver the control of a true three-pedal manual transmission with perfect shifts enabled by Active Rev Matching. The new eight-speed automatic offers drivers the comfort and drivability of a true automatic transmission, as well as lightning-fast shifts and manual control for track driving."

The seven-speed manual incorporates rev-matching technology for upshifts and downshifts. This driver-selectable feature can be easily engaged or disengaged via paddles on the steering wheel. The seven-speed is used with a new dual-mass flywheel and dual-disc clutch, which deliver greater shift quality and feel through lower inertia.

The eight-speed automatic is tuned for world-class shift-response times, and smaller steps between gears keep the LT4 within the sweet spot of the rpm band, making the most of the output of the supercharged engine for exhilarating performance and greater efficiency.

For performance driving, the transmission offers full manual control via steering wheel paddles, and unique algorithms to deliver shift performance that rivals the dual-clutch/semi-automatic transmissions found in many supercars – but with the smoothness and refinement that comes with a conventional automatic fitted with a torque converter.

In fact, the 8L90's controller analyzes and executes commands 160 times per second, and wide-open throttle upshifts are executed up to eight-hundredths of a second quicker than those of the dual-clutch transmission offered in the Porsche 911.

"There's no trade-off in drivability with the new 8L90 eight-speed automatic transmission – it was designed to deliver performance on par with dual-clutch designs, but without sacrificing refinement," said Bill Goodrich, assistant chief engineer for eight-speed automatic transmissions. "It is also the highest-capacity automatic transmission ever offered in a Chevrolet car."

Featuring four gearsets and five clutches, creative packaging enables the GM-developed eight-speed automatic to fit the same space as the six-speed automatic used in the Corvette Stingray. Extensive use of aluminum and magnesium make it more than

eight pounds (4 kg) lighter than the six-speed. Along with design features that reduce friction, the 8L90 is expected to contribute up to 5-percent greater efficiency, when compared with a six-speed automatic.

The eight-speed automatic will be built at GM's Toledo, Ohio, transmission facility.

Designed for downforce

The performance targets of the Z06 also posed a challenge for the design team, which had to create a striking design that also contributed to increased capabilities.

"Practically every exterior change served a functional purpose, as this beast needed more of everything," said Tom Peters, Corvette design director, "The flared fenders accommodate larger, wider wheels and tires for more grip. The larger vents provide more cooling air to the engine, brakes, transmission and differential for increased track capability. The more aggressive aerodynamic package generates true downforce for more cornering grip and high-speed stability."

The design changes began not with the exterior panels, but the tires.

To deliver the levels of grip needed for the Z06's performance targets, the Z06 was fitted with larger Michelin tires (Pilot Super Sport tires for the Z06; Sport Cup 2 tires with the Z07 package). The P285/30ZR19 front tires are 1.5 inches wider than the tires on the Stingray, while the 335/25ZR20 rear tires are two inches wider.

To cover the wider tire tread, the fenders of the Z06 were extended by 2.2 inches (56 mm) at the front, and 3.15 inches (80 mm) at the rear. These extensions give the Corvette Z06 a wider, lower appearance further emphasized by a unique rear fascia. It incorporates the same taillamp assemblies as the Stingray, but on the Z06 the taillamps are pushed approximately three inches farther apart, toward to edges of the body.

The tires are mounted on lightweight, spin-cast aluminum wheels that are also wider than the Stingray (19 x 10 inches in front and 20 x 12 inches in the rear). Their open, ultralight design showcases the massive Brembo brakes, which are part of the design aesthetic:

- The Z06 features two-piece steel rotors, measuring 14.6 x 1.3-inch (371 x 33 mm) front and 14.4 x 1-inch (365 x 25 mm) rear, with aluminum six-piston and four-piston fixed calipers, respectively
- The Z07 package adds larger, 15.5 x 1.4-inch (394 x 36 mm) front and 15.3 x 1.3-inch (388 x 33 mm) carbon ceramic-matrix brake rotors for consistent performance lap after lap, and collectively save 23 pounds over the standard Z06 rotors.

To harness the cornering and braking grip afforded by the larger tires and brakes, the exterior of the Corvette Z06 is tailored to produce aerodynamic downforce that presses the tires to the ground at high speeds.

The Z06 will offer three, increasing levels of aerodynamic downforce:

- The standard Z06 features a front splitter, spats around the front wheel openings, a unique carbon-fiber hood with a larger vent, and the rear spoiler from the Corvette Stingray's Z51 Performance Package
- An available carbon-fiber aero package in either black or a visible carbon-fiber finish adds a carbon fiber front splitter
 with aviation-style winglets, carbon fiber rocker panels, and a larger rear spoiler with a fixed wickerbill a small, vertical
 tab at the edge of the spoiler that significantly increases downforce
- The available Z07 package add larger winglets to the front splitter, along with an adjustable, see-through center section
 on the rear spoiler for track use. With this package, the Corvette Z06 delivers the most aerodynamic downforce of any
 production car that GM has tested.

The exterior design also reflects the increased cooling required for the new Corvette Z06. For example, the mesh pattern on the front fascia was painstakingly designed to deliver the most possible airflow to the supercharger's intercooler heat exchanger, so much that the mesh grill directs more air into the engine bay than if the grille was removed.

The unique grille also features dedicated brake-cooling intakes and wider grille outlets on the bottom serve as air diffusers. The grille is complemented with a larger hood vent, which vents hot air from the engine compartment and contributes to downforce by allowing air driven through the grille to exit through the hood rather than being forced under the car, which could create lift.

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Additional cooling elements include larger front fender vents and unique air blades over the inlets on the rear fenders, which force about 50 percent more air into the cooling ducts for the transmission and differential coolers than those on the Stingray. To cope with the additional airflow, the Z06 has also has larger rear-fascia openings than the Stingray.

Standard front and rear brake-cooling ducts, including Z06-signature rear ducts integrated in front of the rear fender openings, are also part of the functional design changes.

Inside, the Corvette Z06 is distinguished from the Corvette Stingray by unique color schemes that emphasize the driver-focused cockpit, and a unique, flat-bottomed steering wheel.

Like the Stingray, the Z06 will be offered with two seating choices: a GT seat, for all-around comfort, and a Competition Sport seat with more aggressive side bolstering, which provides greater support on the track. The frame structure for both seats is made of magnesium, for greater strength and less weight than comparable steel frames. They're also more rigid, contributing to the enhanced feeling of support during performance driving.

The Z06 also benefits from interior details designed for high-performance driving, first introduced on the Stingray, including a steel-reinforced grab bar on the center console for the passenger and soft-touch materials on the edge of the console, where the driver naturally braces during high-load cornering.

The performance-supporting elements inside the new Corvette Z06 are complemented by unprecedented attention to detail and build quality. All models feature a fully wrapped interior, where every surface is covered with premium, soft-touch materials. Available materials, depending on the trim level, include Napa leather, aluminum, carbon fiber and micro-suede.

Track-proven technologies

The 2015 Corvette Z06 leverages the technologies introduced on the Corvette Stingray, including the strategic use of lightweight materials and advanced driver technologies, with unique features and calibrations tailored for its capabilities.

"Our mission with the seventh-generation Corvette was to make the performance levels more accessible, enabling drivers to exploit every pound-foot of torque, every "g" of grip and every pound of downforce," said Juechter. "It's a philosophy we introduced with the 460-horsepower Corvette Stingray – and one that's even more relevant with an estimated 625 horsepower at your beck and call."

For the first time ever, the Corvette Z06's aluminum frame will be produced in-house at General Motors' Bowling Green assembly plant. It's the same robust, lightweight frame used on the Corvette Stingray and it will be used essentially unchanged for the C7.R race cars.

The stiffer design of the aluminum frame allows the Corvette Z06 to be offered with a removable roof panel for the first time. With the lightweight, carbon fiber roof panel removed, the new Corvette Z06 offers 20 percent more structural rigidity than the previous model's fixed-roof design. It is 60 percent stiffer than the previous model with the roof panel installed.

The new Z06 retains the SLA-type front and rear suspension design of the Corvette Stingray but uniquely calibrated for the higher performance threshold. The third-generation Magnetic Selective Ride Control dampers are standard on Z06. They can be adjusted for touring comfort or maximum track performance via the standard Driver Mode Selector.

Like the Stingray, the Driver Mode Selector tailors up to a dozen features of the Z06 to suit the driver's environment, including:

- Launch control: Available in Track mode for manual and automatic transmissions, providing maximum off-the-line
 acceleration
- Active handling (StabiliTrak electronic stability control): A "competitive" setting is available in Track mode and is more suited for on-track conditions. It can also be disabled, giving the driver complete control
- Traction control: Weather mode tailors traction control and engine torque for driving in inclement conditions
- **Performance Traction Management:** Available in Track mode and offers five settings of torque reduction and brake intervention for track driving
- **Electronic Limited Slip Differential:** Adjusts the rate at which the limited slip engages, to balance between steering response and stability in different driving conditions with more aggressive performance in Sport and Track modes.

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The smart electronic limited-slip differential, or eLSD, is standard on the Z06 to make the most of the torque split between the rear wheels. The system features a hydraulically actuated clutch that can infinitely vary clutch engagement and can respond from open to full engagement in tenths of a second. It shifts torque based on a unique algorithm that factors in vehicle speed, steering input and throttle position to improve steering feel, handling balance and traction.

The eLSD is fully integrated with Electronic Stability Control and Performance Traction Management systems. Its calibrations vary among three modes, based on the Drive Mode Selector setting:

- Mode 1 is the default setting for normal driving and emphasizes vehicle stability
- Mode 2 is engaged when electronic stability control is turned off in the Sport or Track modes. This calibration enables more nimble turn-in and traction while accelerating out of a corner
- Mode 3 is automatically selected when Performance Traction Management is engaged. This calibration has the same function as Mode 2, but is fine-tuned to work with Performance Traction Management.

The new Corvette Z06 will be available in early 2015. Performance data and pricing will be announced closer to the start of production.



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United States

2016 Camaro's Driving Fun Rooted in New Powertrains

First-ever turbo engine, new V-6 and return of LT1 V-8 matched with new Hydra-Matic 8-speed automatic transmissions and 6-speed manuals

2015-05-16

DETROIT – An all-new lineup of six powertrain combinations in the 2016 Camaro complements the car's lighter, stronger structure to enable a faster, more nimble driving experience.

The lineup includes an Ecotec 2.0L turbo, a next-generation 3.6L V-6 and the LT1 6.2L V-8. The 3.6L offers an SAE-certified 335 horsepower (250 kW), giving it the segment's highest specific output of any naturally aspirated V-6, while the LT1 is certified at 455 horsepower (339 kW) and 455 lb-ft of torque (617 Nm) – for the most powerful Camaro SS ever. The new engines are matched with six-speed manual transmissions and all-new eight-speed automatic transmissions.

The Ecotec 2.0L turbo will deliver 0-60 mph acceleration in less than 6 seconds and offer more than 30 mpg on the highway (GM-estimated), making it the most fuel-efficient Camaro ever.

"Everything about the 2016 Camaro is focused on a fun, engaging driving experience and that's delivered with each of its new powertrains," said Dan Nicholson, vice president, General Motors Global Powertrain. "From the first-ever turbocharged engine in a Camaro and an efficient V-6 with more power than many of the V-8s offered in previous generations, to the return of the LT1 small-block V-8, there is a choice to satisfy every taste and performance desire."

All three engines feature direct injection, which enables an increased compression ratio for a greater balance of performance and efficiency. For models equipped with an automatic transmission, the all-new 3.6L V-6 and the new LT1 also employ Active Fuel Management cylinder deactivation technology, which disables some cylinders under light throttle applications to enhance efficiency. In the 3.6L, two cylinders are deactivated and in the LT1 V-8, four cylinders are deactivated.

The Ecotec 2.0L turbo and 3.6L are offered with the all-new Hydra-Matic 8L45 paddle-shift eight-speed automatic transmission. It is based on the Hydra-Matic 8L90 eight-speed, which is offered on the Camaro SS, but scaled for the performance envelope of the smaller engines and offers an estimated 5-percent efficiency improvement over a comparable six-speed automatic.

They are also offered with six-speed manual transmissions, as is the Camaro SS. Its TREMEC TR6060 six-speed manual features Active Rev Match technology, a driver-selectable feature that automatically "blips" the throttle for perfectly timed downshifts.

Ecotec 2.0L turbo details

The Camaro LT's standard engine is a new Ecotec 2.0L turbocharged I-4, rated at an SAE-certified 275 horsepower (205 kW) and 295 lb-ft of torque (400 Nm). For impressive power on demand, it offers a wide torque band with 90 percent of its peak torque available from 2,100 rpm to 3,000 rpm, and maximum torque from 3,000 to 4,500 rpm.

The turbocharger generates up to 20 pounds of boost and its twin-scroll design helps make the most of the usable power from the engine, practically eliminating turbo lag and helping deliver a broad power band. It also gives the engine the rapid throttle responsiveness associated with a higher-displacement, naturally aspirated, high-performance engine. Electronically controlled supporting components, including the wastegate and bypass, help optimize performance and efficiency.

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The engine features durability and technological features familiar in premium engines, including low-friction hydraulic roller-finger valve operation and an electronic throttle. A hydraulic tensioner keeps the timing chain adjusted for life.

Additional engine features include:

- · Precision sand-cast engine block with cast-in-place iron liners
- Forged steel crankshaft with induction heat-treated fillets and cross-drilled chamfered oil passages for racing-grade lubrication characteristics
- · Forged powdered metal connecting rods incorporate an I-beam cross section for added strength
- · Pistons with jet-spray cooling
- Modular balance shaft system in the oil pan
- Dual Overhead Camshaft (DOHC) with continuously variable valve timing
- · Direct injection with cam-driven high-pressure fuel pump
- Two-stage variable-displacement oil pump
- Air-to-air intercooling system.

Additionally, an A356T6 aluminum cylinder head is produced using a Rotacast process for high strength, reduced machining and improved port flow. The head also uses stainless steel intake valves that are nitrided – nitrogen is diffused into the surface of a metal to create a case-hardened surface – for improved durability and undercut to improve flow and reduce weight. The exhaust valves have sodium-filled stems that promote valve cooling to reduce wear on the valve guide for better alignment and a consistent seal between the valve seat and valve face.

The Ecotec 2.0L turbo engine will be built at GM's Tonawanda, N.Y., engine plant.

All-new 3.6L V-6

The new 3.6L V-6 ,available in the Camaro LT, offers the highest specific output for a naturally aspirated V-6, producing an SAE-certified 335 horsepower (250 kW) and 284 lb-ft of torque (385 Nm). It's an all-new design that represents the fourth generation of GM's DOHC V-6 engine family and incorporates new features, including Active Fuel Management.

Structurally, the all-new 3.6L V-6 builds on the proven, award-winning design of the Camaro's previous V-6 engine, including an aluminum, deep-skirt cylinder block. The optimal 60-degree cylinder angle is retained, with the bore size enlarged from 94mm to 95mm and the bore centers stretched from 103mm to 106mm. The cylinder block features six-bolt main bearing caps and interbay breather vents that enhance power and oil flow management.

Additional engine highlights include:

- Tough, refined rotating assembly with a stiff, 1538MV forged-steel crankshaft, friction-reducing polymer-coated pistons and strong high-copper-content, sinter-forged connecting rods
- Oil-spray piston cooling, which helps reduce noise, lower combustion temperatures and enhance durability by drenching
 the underside of each piston and the surrounding cylinder wall in an extra layer of cooling, friction-reducing engine oil
- All-new lubrication system with a variable-displacement, two-stage oil pump that enhances efficiency. It is located inside
 the oil pan, which contributes to greater noise abatement
- New four-cam phasing system with intermediate park technology that enhances efficiency by enabling late inlet valve closing in certain conditions
- All-new, patented "targeted" cooling system that provides strategic cooling of the engine's hottest areas while simultaneously fostering faster warm-up to enhance efficiency
- New, higher-flow cylinder heads that enhance direct-injection performance through features including larger-diameter intake and exhaust valves for greater flow capacity, revised valve angles that promote faster combustion and greater efficiency, and a smaller, 12mm spark plug that promotes greater flame propagation and greater light-load efficiency
- Exhaust manifolds integrated with the cylinder heads, which saves weight over a conventional, separate head/manifold
 assembly
- · Revised, simplified timing drive system with cushioned chain sprockets contributes to quieter engine operation.

The new 3.6L engine is produced at GM's Romulus Engine Operations powertrain assembly facility, near Detroit, which received a \$390-million investment to build next-generation V-6 engines.

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Return of the LT1

The 2016 Camaro SS is powered by the Small Block 6.2L LT1 V-8 engine, with output SAE-certified at 455 horsepower (339 kW) and 455 lb-ft of torque (617 Nm), making it the most powerful Camaro SS ever.

Its use in the sixth generation marks the third time the LT1 moniker has been bestowed on a Camaro Small Block V-8 engine, with previous iterations used in the 1970-72 Z28, 1993-97 Z28 and 1996-97 SS.

About 20 percent of the components are specific for the Camaro's architecture, including new, tubular "tri-Y"-type exhaust manifolds. It also offers advanced technologies, such as continuously variable valve timing, direct injection and Active Fuel Management (on automatic-equipped models) to help balance efficiency and performance.

Those technologies support an advanced combustion system that incorporates a unique cylinder-head design and a new, sculpted piston design that is an integral contributor to the high-compression, mixture motion parameters enabled by direct injection.

Compared to the fifth-gen Camaro SS's previous LS3 engine, the new LT1 cylinder head design features smaller combustion chambers designed to complement the volume of the unique topography of the pistons' heads. The smaller chamber size and sculpted pistons produce an 11.5:1 compression ratio, while the head features large, straight and rectangular intake ports with a slight twist to enhance mixture motion. This is complemented by a reversal of the intake and exhaust valve positions, as compared to the previous engine design. Also, the spark plug angle and depth have been revised to protrude farther into the chamber, placing the electrode closer to the center of combustion to support optimal combustion.

The pistons feature unique sculpted topography that was optimized via extensive analysis to precisely direct the fuel spray for a more complete combustion. The contours of the piston heads are machined to ensure dimensional accuracy – essential for precise control of mixture motion and the compression ratio.

Additional engine features and highlights:

- All-aluminum block and oil pan: The LT1 block has a deep-skirt design, that helps maximize strength and minimize vibration. As with the Gen 3 and Gen 4 Small Blocks, the bulkheads accommodate six-bolt, cross-bolted main-bearing caps that limit crank flex and stiffen the engine's structure. A structural aluminum oil pan further stiffens the powertrain. The block features nodular iron main bearing caps, which represent a significant upgrade over more conventional powdered metal bearing caps. They are stronger and can better absorb vibrations and other harmonics to help produce smoother, quieter performance.
- Advanced oiling system: The oiling system including oil-spray piston cooling is driven by a variable-displacement oil pump that enables more efficient oil delivery. Its dual-pressure control enables operation at a very efficient oil pressure at lower rpm coordinated with Active Fuel Management and delivers higher pressure at higher engine speeds to provide a more robust lube system for aggressive engine operation. To make the most of efficiency, oil-spray piston cooling is used only when needed the most: at start-up, providing extra lubrication that reduces noise, and at higher engine speeds when the engine load demands.
- **Tri-lobe camshaft:** The LT1's camshaft features an all-new "tri-lobe" at the rear, which drives the engine-mounted direct injection high-pressure fuel pump. The cam's specifications include 14mm/13.3mm (0.551/0.524-inch) intake/exhaust lift, 200/207-crank angle degrees intake/exhaust duration at 0.050-inch tappet lift and a 116.5-degree cam angle lobe separation.
- New, cam-driven fuel pump: The direct injection system features a very-high-pressure fuel pump, which delivers up to 15Mpa (150 bar), which is fed by a conventional fuel-tank-mounted pump. It is mounted in the "valley" between cylinder heads beneath the intake manifold which ensures noise is muffled by the intake manifold and other insulation.
- PCV-integrated rocker covers: The patented integrated positive crankcase ventilation (PCV) system enhances oil economy and oil life, while reducing oil consumption and contributing to low emissions. The rocker covers also hold the direct-mount ignition coils for the coil-near-plug ignition system. Between the individual coil packs, the domed sections of the covers contain baffles that separate oil and air from the crankcase gases about three times the oil/air separation capability of previous engines. In the Camaro, the system also includes a unique track PCV separator tank, which provides a significant benefit during track driving, separating liquid oil from the PCV system and returning it to the oil pan.
- Intake manifold and throttle body assembly: The LT1's intake manifold features a "runners in a box" design, wherein individual runners inside the manifold feed a plenum box that allows for high-efficiency airflow packaged beneath the car's low hood line. Acoustic foam is sandwiched between the outside top of the intake manifold and an additional acoustic shell to reduce radiated engine noise and fuel pump noise. The manifold is paired with an electronically

controlled throttle, featuring an 87mm bore diameter and a "contactless" throttle position sensor design that is more durable and enables greater control.

• Exhaust manifolds: The Camaro LT1 uses a unique tri-Y exhaust manifold design to take advantage of its V-8 firing order. The primary pipe pairings join cylinders one and five, then three and seven on the left bank. Cylinders two and four and six and eight are paired on the right bank. At each bank, the primary pairings collect in a secondary Y, delivering a combination of pulse separation of adjacent firing cylinders and improved scavenging for the LT1 firing order of 1-8-7-2-6-5-4-3. The optimized header and exhaust system improves torque and sound quality.

New Hydra-Matic eight-speed automatic transmissions

All 2016 Camaro models are offered with new, Hydra-Matic 8L45 and 8L90 paddle-shift eight-speed automatic transmissions. The 8L45 is available with the Ecotec 2.0L turbo and 3.6L V-6 engines on LT models, and the 8L90 is available with the LT1 V-8 on the Camaro SS.

The 8L45 shares the architecture and design features of the GM-designed Hydra-Matic 8L90 transmission, but scaled and calibrated for the performance envelope of smaller engines. Both transmissions' wide, 7.0:1 overall ratio and numerically lower top gear offer an estimated 5-percent fuel economy benefit over comparable six-speed automatic transmissions.

Both transmissions feature four simple gearsets for optimal efficiency and five clutches (two brake clutches and three rotating clutches) – creative packaging that enables them to fit the same space as the previous six-speed automatic, while weighing less.

The new 8L45 has a smaller overall diameter and length, and weighs approximately 33 pounds (15 kg) less, than the 8L90 eight-speed – a transmission already lighter than GM's 6L80 six-speed automatic.

A numerically higher first gear ratio – 4.62 in the 8L45 and 4.56 in the 8L90 – also helps drivers start off more confidently, with a greater feeling of immediate performance. Smaller steps between gears, compared to a six-speed transmission, keep the engine within its optimal rpm range, making the most of its horsepower and torque to optimize performance and efficiency.

Ratios compared: Hydra-Matic 8L45 vs. 8L90

| Туре: | 8L45 eight-speed automatic | 8L90 eight-speed automatic |
|------------------|----------------------------|----------------------------|
| Gear ratios (:1) | | |
| First: | 4.62 | 4.56 |
| Second: | 3.04 | 2.97 |
| Third: | 2.07 | 2.08 |
| Fourth: | 1.66 | 1.69 |
| Fifth: | 1.26 | 1.27 |
| Sixth: | 1.00 | 1.00 |
| Seventh: | 0.85 | 0.85 |
| Eighth | 0.66 | 0.65 |
| Reverse: | 3.93 | 3.82 |

World-class shift time quickness and responsiveness are accomplished with a Gen II controls system, which works with variable force solenoid technology and three internal speed sensors. The transmission controller is mounted externally and its processor executes hundreds of calculations and commands every 6.25 milliseconds.

Additionally, friction-reducing design features – including synthetic fluid – and lower spin losses via a powerflow that uses only two open clutches contribute further to efficiency. The torque converter design is also specific to each transmission.

The Hydra-Matic 8L45 and 8L90 transmissions are built at GM's Toledo, Ohio transmission facility.

Founded in 1911 in Detroit, **Chevrolet** is now one of the world's largest car brands, doing business in more than 115 countries and selling around 4.8 million cars and trucks a year. Chevrolet provides customers with fuel-efficient vehicles that feature engaging performance, design that makes the heart beat, passive and active safety features and easy-to-use technology, all at a value. More information on Chevrolet models can be found at www.chevrolet.com.

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Cadillac CT6 to Debut Next Generation Powertrain

2015-03-23

- Industry's most advanced 3.0L Twin Turbo V6
- An Improved 3.6L Atmospheric V6
- A New 8 Speed Automatic Transmission

DETROIT - Cadillac is due to introduce a new generation of V-6 engines and a new 8 speed transmission which are set to power the flagship CT6 when it makes its world premiere on March 31s at the New York International Auto Show.

Led by an exclusive Twin Turbo V-6 that will be one of the industry's most advanced six-cylinder gasoline engines. It leverages the latest technology to balance efficiency, performance and refinement in the upcoming, top-of-the-range CT6 luxury performance sedan.

An all-new 3.6L V-6 engine also makes its first appearance in the 2016 Cadillac CT6, setting benchmarks for efficiency, refinement and durability in the brand's range-topping large luxury performance sedan.

Debuting on the CT6 will be Cadillac's eight-speed automatic transmission. The 8L45 transmission – matched to the 3.6L V6 is based on the same acclaimed General Motors-designed eight-speed automatic family introduced on the Corvette Stingray with the higher-capacity 8L90 version paired with the 3.0L twin-turbo V-6 on the CT6.

New V-6 Engine Family Highlights:

- Stronger, stiffer aluminum block with increased structure in the bulkheads for superior rigidity
- Tough, refined rotating assembly with a stiff forged-steel crankshaft, friction-reducing polymer-coated pistons and strong high-copper-content, sinter-forged connecting rods
- New four-cam phasing system with intermediate park technology that enhances efficiency by enabling late inlet valve closing in certain conditions
- All-new, patented "targeted" cooling system that provides strategic cooling of the engine's hottest areas while simultaneously fostering faster warm-up, which enhances efficiency
- New cylinder heads that enhance combustion performance and include direct injection and feature integrated exhaust manifolds
- Revised, simplified timing drive system with cushioned chain sprockets contributing to quieter engine operation
- All-new oiling system moves the pump inside the block for quieter operation. The two-stage oil pump also enhances efficiency
- Cylinder deactivation and stop/start technologies enhance fuel economy

3.0L Twin-Turbo V-6 Highlights:

- Lower 9.8:1 compression ratio vs. 11.5:1 on the naturally aspirated 3.6L
- Extreme duty 44MnSiV6 steel crankshaft forging

- The pistons incorporate a specific steel insert in the top ring land to support the turbocharged engine's higher cylinder pressures
- Valve spring pre-load tension is increased to manage the greater exhaust pressure during peak load performance
- Hardened AR20 valve seat material on the exhaust side is used for its temperature robustness, while the heads are sealed to the block with multilayer-steel gaskets designed for the pressure of the turbocharging system
- Tuned air inlet and outlet resonators, aluminum cam covers and other features contribute to exceptional quietness and smoothness.
- Twin, low-inertia turbochargers' featherweight titanium-aluminide turbines are with vacuum-actuated wastegate control for precise, responsive torque production, which practically eliminates lag, for an immediate feeling of power delivery.
- The advanced, low-inertia turbochargers enable the engine to sustain peak torque from 2,500 rpm to 5,000 rpm.
- Peak output is estimated at 400 horsepower and 400 lb-ft of torque (543 Nm), making it one of the most power-dense, V-6 DOHC engines in the world, developing 133 horsepower per liter.

3.6L V-6 Highlights:

The clean-sheet engine design is the fourth generation of GM's acclaimed DOHC V-6 engine family and incorporates new features, including Active Fuel Management (cylinder deactivation) and stop/start technology to enhance fuel economy up to a General Motors'-estimated 9 percent when compared to the previous engine.

- Noise-reducing features, including an all-new cam drive system, contribute to the new 3.6L being up to 4 dB quieter at idle and under low load driving conditions than the benchmark Infiniti 3.7L V-6.
- Output is SAE certified at 335 horsepower and 284 lb-ft of torque (385 Nm).
- Oil-spray piston cooling; helps reduce noise, lower combustion temperatures and enhance durability by drenching the underside of each piston and the surrounding cylinder wall in an extra layer of cooling, friction-reducing engine oil.
- An all-new cylinder head design builds on the airflow attributes of the current V-6, to ensure excellent low-rpm torque, for strong power at take-off, and excellent airflow at high-rpm, for greater horsepower.

The 8L45 & 8L90 Eight Speed Automatic Highlights:

The 8L45 eight-speed shares the architecture and design features of the Hydra-Matic 8L90 transmission, but it is scaled and calibrated for the performance envelope of the new 3.6L V-6. It also incorporates components to support the engine's stop/start technology

- The wide 7.0 overall ratio and numerically lower top gear offer an up to a GM estimated 5 percent fuel economy benefit over a comparable six-speed automatic transmission.
- The numerically higher 4.62 first gear ratio aid start off and immediate performance.
- Creative packaging enables GM's eight-speed automatic to fit the same space as the previous six-speed automatic, with a 15kg weight reduction.
- Smaller steps between gears keep the engine within its optimal rpm range.
- Friction-reducing design features including synthetic fluid –contribute to efficiency.
- Improved torque converter design enhances refinement, particularly during low-speed gear changes.

9/30/2019 Case 2:19-cv-11044-DML-DRG ECATION FOR DEPARTMENT OF PROPERTY OF PROPERTY OF PROPERTY OF A PROPERTY OF A

- World-class shift time quickness and responsiveness are accomplished with a Gen II controls system, which works with variable force solenoid technology and three internal Hall Effect speed sensors
- The transmission controller is external, and its processor executes hundreds of calculations and commands every 6.25 milliseconds.

###

Cadillac has been a leading luxury auto brand since 1902. Today Cadillac is growing globally, driven by an expanding product portfolio featuring dramatic design and technology. Described as luxurious, having a bold and daring personality, being tough and strong as well as safe and powerful, Cadillac has maintained an iconic presence for over 85 years in the Middle East.

The Cadillac portfolio in the Middle East features award-winning passenger cars ATS, ATS Coupe, CTS and XTS as well as the SRX crossover and Escalade SUV. Cadillac also offers customers a high-level aftersales service experience through the Premium Care Program. For more information, please visit www.cadillacarabia.com. Cadillac's media website with information, images and video can be found at media.cadillac.com



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Francis et al v. GM, 19-11044 Count Summary

| Plaintiff(s) | State | | | | COUNTS | | | |
|---------------------|-------|-----------|------------|------------|-----------------------|--------------|------------------|--|
| Brian | AL | Count 1 | Count 2 | Count 3 | Count 4 | Count 5 | Count 6 | |
| Lloyd | | Breach of | Unjust | Fraudulent | Violation of | Breach of | Breach of The | |
| | | Warranty | Enrichment | Omission | The Alabama | Express | Implied | |
| | | Under the | | | Deceptive | Warranty | Warranty of | |
| | | Magnuso | | | Trade | Ala. Code | Merchantability | |
| | | n-Moss | | | Practices Act | §§ 7-2-313 | Ala. Code §§ 7- | |
| | | Warranty | | | Ala. Code § 8- | and 7-2A- | 2-314 and 7-2A- | |
| | | Act, 15 | | | 19-1, <i>et seq</i> . | 210 | 212 | |
| | | U.S.C. § | | | | | | |
| | | 2303, et | | | | | | |
| | | seq. | | | | | | |
| Maria | AZ | Count 1 | Count 2 | Count 3 | Count 7 | Count 8 | Count 9 | |
| Barallardos | | Breach of | Unjust | Fraudulent | Violation of | Breach of | Breach of The | |
| | | Warranty | Enrichment | Omission | The Arizona | Express | Implied | |
| | | Under the | | | Consumer | Warranty | Warranty of | |
| | | Magnuso | | | Fraud Act | Ariz. Rev. | Merchantability | |
| | | n-Moss | | | Ariz. Rev. | Stat. §§ 47- | Ariz. Rev. Stat. | |
| | | Warranty | | | Stat. § 44- | 2313 and | §§ 47-2314 and | |
| | | Act, 15 | | | 1521, et seq. | 47-2A210 | 47-2A212 | |
| | | U.S.C. § | | | | | | |
| | | 2303, et | | | | | | |
| | | seq. | | | | | | |

| Plaintiff(s) | State | | | | COUNTS | | | |
|---------------------|-------|-----------|------------|------------|-----------------|--------------|------------------|-----------|
| James Paul | AR | Count 1 | Count 2 | Count 3 | Count 10 | Count 11 | Count 12 | |
| Browne | | Breach of | Unjust | Fraudulent | Violation of | Breach of | Breach of The | |
| | | Warranty | Enrichment | Omission | Arkansas | express | Implied | |
| | | Under the | | | Deceptive | warranty | Warranty of | |
| | | Magnuso | | | trade practices | Arkansas | Merchantability, | |
| | | n-Moss | | | act Arkansas | Code Ann. | Arkansas Code | |
| | | Warranty | | | Code Ann. § | § 4-2-313 | Ann. § 4-3-314 | |
| | | Act, 15 | | | 4-88-101, et | | | |
| | | U.S.C. § | | | seq. | | | |
| | | 2303, et | | | | | | |
| | | seq. | | | | | | |
| Clyde | CA | Count 1 | Count 2 | Count 3 | Count 13 | Count 14 | Count 15 | Count 16 |
| Cheng; | | Breach of | Unjust | Fraudulent | Violation of | Violation of | Breach of | Breach of |
| Wesley | | Warranty | Enrichment | Omission | California | California | Implied | Express |
| Won | | Under the | | | Consumer | Business & | Warranty | Warranty |
| | | Magnuso | | | Legal | Professiona | Pursuant to The | Cal. Com. |
| | | n-Moss | | | Remedies Act | 1 Code | Song-Beverly | Code §§ |
| | | Warranty | | | California | §17200, Et | Consumer | 2313 and |
| | | Act, 15 | | | Civil Code § | Seq. | Warranty Act | 10210 |
| | | U.S.C. § | | | 1750, et seq. | | California Civil | |
| | | 2303, et | | | | | Code §§ 1792 | |
| | | seq. | | | | | and 1791.1, et | |
| | | | | | | | seq. | |

| Plaintiff(s) | State | | | | COUNTS | | | |
|---------------------|-------|-----------|------------|------------|-----------------------|--------------|------------------|--|
| Daniel | CO | Count 1 | Count 2 | Count 3 | Count 17 | Count 18 | Count 19 | |
| Drain | | Breach of | Unjust | Fraudulent | Violation of | Breach of | Breach of The | |
| | | Warranty | Enrichment | Omission | The Colorado | Express | Implied | |
| | | Under the | | | Consumer | Warranty | Warranty of | |
| | | Magnuso | | | Protection Act | Colo. Rev. | Merchantability | |
| | | n-Moss | | | Colo. Rev. | Stat. §§ 4- | Colo. Rev. Stat. | |
| | | Warranty | | | Stat. § 6-1- | 2-313 and | §§ 4-2-313 and | |
| | | Act, 15 | | | 101, et seq. | 4-2.5-210 | 4-2.5-212 | |
| | | U.S.C. § | | | | | | |
| | | 2303, et | | | | | | |
| | | seq. | | | | | | |
| Kevin | CT | Count 1 | Count 2 | Count 3 | Count 20 | Count 21 | Count 22 | |
| Wesley | | Breach of | Unjust | Fraudulent | Violation of | Breach of | Breach of the | |
| | | Warranty | Enrichment | Omission | the | Express | Implied | |
| | | Under the | | | Connecticut | Warranty | Warranty of | |
| | | Magnuso | | | Unlawful | Conn. Gen. | Merchantability | |
| | | n-Moss | | | Trade | Stat. Ann. § | Conn. Gen. Stat. | |
| | | Warranty | | | Practices Act | 42A-2-313 | Ann. § 42A-2- | |
| | | Act, 15 | | | Conn. Gen. | | 314 | |
| | | U.S.C. § | | | Stat. § 42- | | | |
| | | 2303, et | | | 110a, <i>et seq</i> . | | | |
| | | seq. | | | | | | |

| Plaintiff(s) | State | | COUNTS | | | | | | | |
|---------------------|-------|-----------|------------|------------|---------------|-------------|-----------------|--|--|--|
| Keith | DE | Count 1 | Count 2 | Count 3 | Count 23 | Count 24 | Count 25 | | | |
| Shelton; | | Breach of | Unjust | Fraudulent | Violation of | Breach of | Breach of The | | | |
| Karen | | Warranty | Enrichment | Omission | The Delaware | Express | Implied | | | |
| Shelton | | Under the | | | Consumer | Warranty | Warranty of | | | |
| | | Magnuso | | | Fraud Act | 6 Del. Code | Merchantability | | | |
| | | n-Moss | | | 6 Del. Code § | §§ 2-313 | 6 Del. Code §§ | | | |
| | | Warranty | | | 2511(7) | and 2A-210 | 2-314 and 2A- | | | |
| | | Act, 15 | | | | | 212 | | | |
| | | U.S.C. § | | | | | | | | |
| | | 2303, et | | | | | | | | |
| | | seq. | | | | | | | | |

| Plaintiff(s) | State | | | | COUNTS | | | |
|---------------------|-------|-----------|------------|------------|---------------|------------|-------------|--|
| Neil | FL | Count 1 | Count 2 | Count 3 | Count 26 | Count 27 | Count 28 | |
| Ambrosio; | | Breach of | Unjust | Fraudulent | Violation of | Breach of | Breach of | |
| Dennis | | Warranty | Enrichment | Omission | The Florida | Express | Implied | |
| Duffy; | | Under the | | | Deceptive and | Warranty | Warranty | |
| Charles | | Magnuso | | | Unfair Trade | F.S.A. §§ | F.S.A. §§ | |
| Graff; | | n-Moss | | | Practices Act | 672.313 | 672.314 and | |
| Lisa Marie | | Warranty | | | F.S.A. §§ | and 680.21 | 680.212 | |
| Graff; | | Act, 15 | | | 501.201213 | | | |
| Rhianna | | U.S.C. § | | | | | | |
| Meyers; | | 2303, et | | | | | | |
| Michael | | seq. | | | | | | |
| Ponder; | | | | | | | | |
| Arif | | | | | | | | |
| Shakoor; | | | | | | | | |
| Richard | | | | | | | | |
| Sullivan; | | | | | | | | |
| Tait | | | | | | | | |
| Thomas | | | | | | | | |

| Plaintiff(s) | State | | | | COUNTS | | | |
|---------------------|-------|-----------|------------|------------|-----------------|-------------|-----------------|--|
| Jimmy | GA | Count 1 | Count 2 | Count 3 | Count 29 | Count 30 | Count 31 | |
| Flowers; | | Breach of | Unjust | Fraudulent | Violation of | Breach of | Breach of The | |
| Richard | | Warranty | Enrichment | Omission | The Georgia | Express | Implied | |
| Freeman; | | Under the | | | Uniform | Warranty | Warranty of | |
| Philip | | Magnuso | | | Deceptive | Ga. Code. | Merchantability | |
| Weeks | | n-Moss | | | Trade | Ann. §§ 11- | Ga. Code. Ann. | |
| | | Warranty | | | Practices Act | 2-313 and | §§ 11-2-314 and | |
| | | Act, 15 | | | Ga. Code Ann. | 11-2A-210 | 11-2A-212 | |
| | | U.S.C. § | | | § 10-1-370, et | | | |
| | | 2303, et | | | seq. | | | |
| | | seq. | | | | | | |
| Cary | ID | Count 1 | Count 2 | Count 3 | Count 32 | Count 33 | Count 34 | |
| Sherrow | | Breach of | Unjust | Fraudulent | Violation of | Breach of | Breach of the | |
| | | Warranty | Enrichment | Omission | the Idaho | Express | Implied | |
| | | Under the | | | Consumer | Warranty | Warranty of | |
| | | Magnuso | | | Protection Act | Idaho Code | Merchantability | |
| | | n-Moss | | | Idaho Code § | §§ 28-2-313 | Idaho Code §§ | |
| | | Warranty | | | 48-601, et seq. | and 28-12- | 28-2-314 and | |
| | | Act, 15 | | | | 210 | 28-12-212 | |
| | | U.S.C. § | | | | | | |
| | | 2303, et | | | | | | |
| | | seq. | | | | | | |

| Plaintiff(s) | State | | | | COUNTS | | | |
|---------------------|-------|-----------|------------|------------|----------------|-------------|------------------|--|
| Timothy | IL | Count 1 | Count 2 | Count 3 | Count 35 | Count 36 | Count 37 | |
| Grafrath; | | Breach of | Unjust | Fraudulent | Violation of | Breach of | Breach of The | |
| Dennis | | Warranty | Enrichment | Omission | The Illinois | Express | Implied | |
| Speerly | | Under the | | | Consumer | Warranty | Warranty of | |
| | | Magnuso | | | Fraud and | 810 Ill. | Merchantability | |
| | | n-Moss | | | Deceptive | Comp. Stat. | 810 Ill. Comp. | |
| | | Warranty | | | Business | §§ 5/2-313 | Stat. §§ 5/2-314 | |
| | | Act, 15 | | | Practices Act | and 5/2A- | and 5/2A-212 | |
| | | U.S.C. § | | | 815 Ilcs 505/1 | 210 | | |
| | | 2303, et | | | Et Seq. and | | | |
| | | seq. | | | 720 Ilcs | | | |
| | | | | | 295/1A | | | |
| Samuel | IN | Count 1 | Count 2 | Count 3 | Count 38 | Count 39 | | |
| Ford; | | Breach of | Unjust | Fraudulent | Breach of | Breach of | | |
| Philip | | Warranty | Enrichment | Omission | Express | The Implied | | |
| Whicker | | Under the | | | Warranty | Warranty of | | |
| | | Magnuso | | | Ind. Code §§ | Merchantab | | |
| | | n-Moss | | | 26-1-2-313 | ility | | |
| | | Warranty | | | and 26-1-2.1- | Ind. Code | | |
| | | Act, 15 | | | 210 | §§ 26-1-2- | | |
| | | U.S.C. § | | | | 314 and 26- | | |
| | | 2303, et | | | | 1-2.1-212 | | |
| | | seq. | | | | | | |

| Plaintiff(s) | State | | | | COUNTS | | |
|---------------------|-------|-----------|------------|------------|----------------|-------------|-----------------|
| Guy Clark | KS | Count 1 | Count 2 | Count 3 | Count 40 | Count 41 | Count 42 |
| | | Breach of | Unjust | Fraudulent | Violation of | Breach of | Breach of The |
| | | Warranty | Enrichment | Omission | The Kansas | Express | Implied |
| | | Under the | | | Consumer | Warranty | Warranty of |
| | | Magnuso | | | Protection Act | Kan. Stat. | Merchantability |
| | | n-Moss | | | Kan. Stat. | Ann. §§ 84- | Kan. Stat. Ann. |
| | | Warranty | | | Ann. § 50- | 2-314 and | §§ 84-2-314 and |
| | | Act, 15 | | | 623, et seq. | 84-2A-210 | 84-2A-212 |
| | | U.S.C. § | | | | | |
| | | 2303, et | | | | | |
| | | seq. | | | | | |
| James | KY | Count 1 | Count 2 | Count 3 | Count 43 | Count 44 | Count 45 |
| Norvell | | Breach of | Unjust | Fraudulent | Violation of | Breach of | Breach of the |
| | | Warranty | Enrichment | Omission | the Kentucky | Express | Implied |
| | | Under the | | | Consumer | Warranty | Warranty of |
| | | Magnuso | | | Protection Act | _ | Merchantability |
| | | n-Moss | | | Ky. Rev. Stat. | Stat. §§ | Ky. Rev. Stat. |
| | | Warranty | | | § 367.110, et | 355.2-313 | §§ 355.2-314 |
| | | Act, 15 | | | seq. | and | and 355.2A-212 |
| | | U.S.C. § | | | | 355.2A-210 | |
| | | 2303, et | | | | | |
| | | seq. | | | | | |

| Plaintiff(s) | State | | | | COUNTS | | |
|---------------------|-------|-----------|------------|------------|----------------|--------------|-----------------|
| Donald | LA | Count 1 | Count 2 | Count 3 | Count 46 | Count 47 | Count 48 |
| Dykshorn | | Breach of | Unjust | Fraudulent | Violation of | Breach of | Breach of The |
| | | Warranty | Enrichment | Omission | The Louisiana | Express | Implied |
| | | Under the | | | Unfair Trade | Warranty | Warranty of |
| | | Magnuso | | | Practices and | La. Rev. | Merchantability |
| | | n-Moss | | | Consumer | Stat. Ann. § | /Warranty |
| | | Warranty | | | Protection | 9:2800.52 | Against |
| | | Act, 15 | | | Law | | Redhibitory |
| | | U.S.C. § | | | La. Stat. Ann. | | Defects |
| | | 2303, et | | | § 51:1401, et | | La. Civ. Code |
| | | seq. | | | seq. | | Art. 2520, 2524 |
| Carl | ME | Count 1 | Count 2 | Count 3 | Count 49 | Count 50 | Count 51 |
| Johnsen | | Breach of | Unjust | Fraudulent | Violation of | Breach of | Breach of The |
| | | Warranty | Enrichment | Omission | The Maine | Express | Implied |
| | | Under the | | | Unfair Trade | Warranty | Warranty of |
| | | Magnuso | | | Practices Act | Me. Rev. | Merchantability |
| | | n-Moss | | | Me. Rev. Stat. | Stat. Ann. | Me. Rev. Stat. |
| | | Warranty | | | Ann. Tit. 5, § | Tit. 11 §§ | Ann. Tit. 11 §§ |
| | | Act, 15 | | | 205-A, et seq. | 2-313 and | 2-314 and 2- |
| | | U.S.C. § | | | | 2-1210 | 1212 |
| | | 2303, et | | | | | |
| | | seq. | | | | | |

| Plaintiff(s) | State | | | | COUNTS | | | |
|---------------------|-------|-----------|------------|------------|----------------|--------------|-----------------|-----------|
| Richard | MI | Count 1 | Count 2 | Count 3 | Count 52 | Count 53 | Count 54 | |
| Francis; | | Breach of | Unjust | Fraudulent | Violation of | Breach of | Breach of The | |
| Jay Hull; | | Warranty | Enrichment | Omission | The Michigan | Express | Implied | |
| Louis Ray | | Under the | | | Consumer | Warranty | Warranty of | |
| | | Magnuso | | | Protection Act | Mich. | Merchantability | |
| | | n-Moss | | | Mich. Comp. | Comp. | Mich. Comp. | |
| | | Warranty | | | Laws § | Laws §§ | Laws §§ | |
| | | Act, 15 | | | 445.903 Et | 440.2313 | 440.2314 and | |
| | | U.S.C. § | | | Seq. | and | 440.2860 | |
| | | 2303, et | | | | 440.2860 | | |
| | | seq. | | | | | | |
| Troy | MN | Count 1 | Count 2 | Count 3 | Count 55 | Count 56 | Count 57 | Count 58 |
| Coulson; | | Breach of | Unjust | Fraudulent | Violation of | Violation of | Breach of | Breach of |
| Kimberly | | Warranty | Enrichment | Omission | Minnesota | Minnesota | Express | The |
| Coulson | | Under the | | | Prevention of | Uniform | Warranty | Implied |
| | | Magnuso | | | Consumer | Deceptive | Minn. Stat. | Warranty |
| | | n-Moss | | | Fraud Act | Trade | §336.2-313 and | of |
| | | Warranty | | | Minn. Stat. § | Practices | 336.2A-210 | Merchanta |
| | | Act, 15 | | | 325F.68 Et | Act | | bility |
| | | U.S.C. § | | | Seq. | Minn. Stat. | | Minn. |
| | | 2303, et | | | | § 325D.43- | | Stat. §§ |
| | | seq. | | | | 48 Et Seq. | | 336.2-314 |
| | | | | | | | | and |
| | | | | | | | | 336.2A- |
| | | | | | | | | 212 |

| Plaintiff(s) | State | | | | COUNTS | | | |
|---------------------|-------|-----------|------------|------------|----------------|------------|-----------------|--|
| Christopher | MO | Count 1 | Count 2 | Count 3 | Count 59 | Count 60 | Count 61 | |
| Krull; | | Breach of | Unjust | Fraudulent | Violation of | Breach of | Breach of The | |
| Richard | | Warranty | Enrichment | Omission | The Missouri | Express | Implied | |
| Noonan | | Under the | | | Merchandising | Warranty | Warranty of | |
| | | Magnuso | | | Practices Act | Mo. Rev. | Merchantability | |
| | | n-Moss | | | Mo. Rev. Stat. | Stat. §§ | Mo. Rev. Stat. | |
| | | Warranty | | | § 407.010, et | 400.2-313 | §§ 400.2-314 | |
| | | Act, 15 | | | seq. | and | and 400.2A-212 | |
| | | U.S.C. § | | | | 400.2A-210 | | |
| | | 2303, et | | | | | | |
| | | seq. | | | | | | |
| Michael | NH | Count 1 | Count 2 | Count 3 | Count 62 | Count 63 | Count 64 | |
| Banks | | Breach of | Unjust | Fraudulent | Violation of | Breach of | Breach of The | |
| | | Warranty | Enrichment | Omission | The New | Express | Implied | |
| | | Under the | | | Hampshire | Warranty | Warranty of | |
| | | Magnuso | | | Consumer | N.H. Rev. | Merchantability | |
| | | n-Moss | | | Protection Act | Stat. §§ | N.H. Rev. Stat. | |
| | | Warranty | | | N.H. Rev. | 382-A:2- | §§ 382-A:2-314 | |
| | | Act, 15 | | | Stat. Ann. § | 313 and | and 382-A:2A- | |
| | | U.S.C. § | | | 358-A:1 Et | 382-A:2A- | 212 | |
| | | 2303, et | | | Seq. | 210 | | |
| | | seq. | | | | | | |

| Plaintiff(s) | State | | | | COUNTS | | | |
|---------------------|-------|-----------|------------|------------|-----------------|--------------|-----------------|-----------|
| William | NJ | Count 1 | Count 2 | Count 3 | Count 65 | Count 66 | Count 67 | |
| Grossman; | | Breach of | Unjust | Fraudulent | Violation of | Breach of | Breach of The | |
| Randall | | Warranty | Enrichment | Omission | The New | Express | Implied | |
| Jacobs; | | Under the | | | Jersey | Warranty | Warranty of | |
| Joseph | | Magnuso | | | Consumer | N.J. Stat. | Merchantability | |
| Sierchio | | n-Moss | | | Fraud Act | Ann. §§ | N.J. Stat. Ann. | |
| | | Warranty | | | N.J. Stat. Ann. | 12A:2-313 | §§ 12A:2-314 | |
| | | Act, 15 | | | § 56:8-1, et | and 2A-210 | and 2A-212 | |
| | | U.S.C. § | | | seq. | | | |
| | | 2303, et | | | | | | |
| | | seq. | | | | | | |
| Charles | NY | Count 1 | Count 2 | Count 3 | Count 68 | Count 69 | Count 70 | Count 71 |
| Larsen; | | Breach of | Unjust | Fraudulent | Violation of | Violation of | Breach of | Breach of |
| Marc | | Warranty | Enrichment | Omission | The New York | The New | Express | The |
| Mazza; | | Under the | | | General | York | Warranty | Implied |
| Andre | | Magnuso | | | Business Law | General | N.Y. U.C.C. §§ | Warranty |
| McQuade; | | n-Moss | | | § 349 | Business | 2-314 and 2A- | of |
| Michaek | | Warranty | | | N.Y. Gen. | Law § 350 | 210 | Merchanta |
| Plafker | | Act, 15 | | | Bus. Law § | N.Y. Gen. | | bility |
| Michael | | U.S.C. § | | | 349 | Bus. Law § | | N.Y. |
| Sylvester | | 2303, et | | | | 350 | | U.C.C. §§ |
| | | seq. | | | | | | 2-314 and |
| | | | | | | | | 2A-212 |

| Plaintiff(s) | State | | | | COUNTS | | | |
|---------------------|-------|-----------|------------|------------|-----------------|--------------|-----------------|--|
| Steven | NC | Count 1 | Count 2 | Count 3 | Count 72 | Count 73 | Count 74 | |
| Brack; | | Breach of | Unjust | Fraudulent | Violation of | Breach of | Breach of The | |
| Jimmy | | Warranty | Enrichment | Omission | The North | Express | Implied | |
| Harman; | | Under the | | | Carolina | Warranty | Warranty of | |
| Richard | | Magnuso | | | Unfair and | N.C. Gen. | Merchantability | |
| "Terry" | | n-Moss | | | Deceptive | Stat. §§ 25- | N.C. Gen. Stat. | |
| Shope | | Warranty | | | Acts and | 2-313 and | §§ 25-2-314 and | |
| | | Act, 15 | | | Practices Act | 252A-210 | 252A-212 | |
| | | U.S.C. § | | | N.C. Gen. | | | |
| | | 2303, et | | | Stat. § 75-1.1 | | | |
| | | seq. | | | Et Seq. | | | |
| Chi Kim | OH | Count 1 | Count 2 | Count 3 | Count 75 | Count 76 | Count 77 | |
| Ho; Jeffrey | | Breach of | Unjust | Fraudulent | Violation of | Breach of | Breach of The | |
| Rice | | Warranty | Enrichment | Omission | The Ohio | Express | Implied | |
| | | Under the | | | Consumer | Warranty | Warranty of | |
| | | Magnuso | | | Sales Practices | Ohio Rev. | Merchantability | |
| | | n-Moss | | | Act | Code Ann. | Ohio Rev. Code | |
| | | Warranty | | | Ohio Rev. | § 1302.26, | Ann. §§ 1302.27 | |
| | | Act, 15 | | | Code Ann. § | et seq. | and 1310.19. | |
| | | U.S.C. § | | | 1345.01 Et | | | |
| | | 2303, et | | | Seq. | | | |
| | | seq. | | | | | | |

| Plaintiff(s) | State | | | | COUNTS | | |
|---------------------|-------|-----------|------------|------------|------------------|-------------|------------------|
| Jon Ellard | OK | Count 1 | Count 2 | Count 3 | Count 78 | Count 79 | Count 80 |
| | | Breach of | Unjust | Fraudulent | Violation of | Breach of | Breach of The |
| | | Warranty | Enrichment | Omission | The Oklahoma | Express | Implied |
| | | Under the | | | Consumer | Warranty | Warranty of |
| | | Magnuso | | | Protection Act | Okla. Stat. | Merchantability |
| | | n-Moss | | | Okla. Stat. Tit. | Tit. 12A §§ | Okla. Stat. Tit. |
| | | Warranty | | | 15, § 751 Et | 2-313 and | 12A §§ 2-314 |
| | | Act, 15 | | | Seq. | 2A-210 | and 2A-212 |
| | | U.S.C. § | | | | | |
| | | 2303, et | | | | | |
| | | seq. | | | | | |
| Cary | OR | Count 1 | Count 2 | Count 3 | Count 81 | Count 82 | Count 83 |
| Sherrow | | Breach of | Unjust | Fraudulent | Violation of | Breach of | Breach of the |
| | | Warranty | Enrichment | Omission | the Oregon | Express | Implied |
| | | Under the | | | Consumer | Warranty | Warranty of |
| | | Magnuso | | | Protection Act | Or. Rev. | Merchantability |
| | | n-Moss | | | Or. Rev. Stat. | Stat. §§ | Or. Rev. Stat. § |
| | | Warranty | | | § 646.605, et | 72.3130 | 72.3140 and |
| | | Act, 15 | | | seq | and | 72A.2120 |
| | | U.S.C. § | | | | 72A.2100 | |
| | | 2303, et | | | | | |
| | | seq. | | | | | |

| Plaintiff(s) | State | | | | COUNTS | | | |
|---------------------|-------|-----------|------------|------------|----------------|-------------|-----------------|--|
| Charles | PA | Count 1 | Count 2 | Count 3 | Count 84 | Count 85 | Count 86 | |
| Aiken; | | Breach of | Unjust | Fraudulent | Violation of | Breach of | Breach of The | |
| Karina | | Warranty | Enrichment | Omission | The | Express | Implied | |
| Fredo; | | Under the | | | Pennsylvania | Warranty | Warranty of | |
| William | | Magnuso | | | Unfair Trade | 13 Pa. | Merchantability | |
| Fredo | | n-Moss | | | Practices and | Cons. Stat. | 13 Pa. Cons. | |
| | | Warranty | | | Consumer | §§ 2313 | Stat. §§ 2314 | |
| | | Act, 15 | | | Protection | and 2A210 | and 2A212 | |
| | | U.S.C. § | | | Law | | | |
| | | 2303, et | | | 73 P.S. § 201- | | | |
| | | seq. | | | 1 Et Seq. | | | |
| Donald | SC | Count 1 | Count 2 | Count 3 | Count 87 | Count 88 | Count 89 | |
| Sicura; | | Breach of | Unjust | Fraudulent | Violation of | Breach of | Breach of The | |
| Jason | | Warranty | Enrichment | Omission | The South | Express | Implied | |
| Sinclair | | Under the | | | Carolina | Warranty | Warranty of | |
| | | Magnuso | | | Unfair Trade | S.C. Code | Merchantability | |
| | | n-Moss | | | Practices Act | Ann. § §§ | S.C. Code Ann. | |
| | | Warranty | | | S.C. Code | 36-2-313 | § §§ 36-2-314 | |
| | | Act, 15 | | | Ann. § 39-5- | and 36-2A- | and 36-2A-212 | |
| | | U.S.C. § | | | 10 Et Seq. | 210 | | |
| | | 2303, et | | | | | | |
| | | seq. | | | | | | |

| Plaintiff(s) | State | | | | COUNTS | | | |
|---------------------|-------|-----------|------------|------------|---------------------|-------------|-----------------|--|
| Colton | SD | Count 1 | Count 2 | Count 3 | Count 90 | Count 91 | Count 92 | |
| Kelly | | Breach of | Unjust | Fraudulent | Violation of | Breach of | Breach of The | |
| | | Warranty | Enrichment | Omission | South Dakota | Express | Implied | |
| | | Under the | | | Deceptive | Warranty | Warranty of | |
| | | Magnuso | | | Trade | S.D. | Merchantability | |
| | | n-Moss | | | Practices and | Codified | S.D. Codified | |
| | | Warranty | | | Consumer | Laws §§ | Laws §§ 57A-2- | |
| | | Act, 15 | | | Protection | 57A-2-313 | 314 and 57A- | |
| | | U.S.C. § | | | Law | and 57A- | 2A-212 | |
| | | 2303, et | | | S.D. Codified | 2A-210 | | |
| | | seq. | | | Laws § 37-24- | | | |
| | | | | | 6 | | | |
| Mark Kidd | TN | Count 1 | Count 2 | Count 3 | Count 93 | Count 94 | Count 95 | |
| | | Breach of | Unjust | Fraudulent | Violation of | Breach of | Breach of the | |
| | | Warranty | Enrichment | Omission | the Tennessee | Express | Implied | |
| | | Under the | | | Consumer | Warranty | Warranty of | |
| | | Magnuso | | | Protection Act | Tenn. Code | Merchantability | |
| | | n-Moss | | | Tenn. Code | §§ 47-2-313 | Tenn. Code §§ | |
| | | Warranty | | | Ann. § 47-18- | and 47-2A- | 47-2-314 and | |
| | | Act, 15 | | | 101 <i>et seq</i> . | 210 | 47-2A-212 | |
| | | U.S.C. § | | | | | | |
| | | 2303, et | | | | | | |
| | | seq. | | | | | | |

| Plaintiff(s) | State | | | | COUNTS | | | |
|---------------------|-------|-----------|------------|------------|----------------------------|-------------|-----------------|--|
| Darrin | TX | Count 1 | Count 2 | Count 3 | Count 96 | Count 97 | Count 98 | |
| Degrand; | | Breach of | Unjust | Fraudulent | Violation of | Breach of | Breach of The | |
| Howard | | Warranty | Enrichment | Omission | The Deceptive | Express | Implied | |
| Young; | | Under the | | | Trade | Warranty | Warranty of | |
| Marisella | | Magnuso | | | Practices Act | Tex. Bus. & | Merchantability | |
| Gutierrez; | | n-Moss | | | Consumer | Com. Code | Tex. Bus. & | |
| Taurus | | Warranty | | | Protection Act | §§ 2.313 | Com. Code §§ | |
| King | | Act, 15 | | | Texas Bus. & | and 2A.210 | 2.314 and | |
| | | U.S.C. § | | | Com. Code § | | 2A.212 | |
| | | 2303, et | | | 17.41, et seq. | | | |
| | | seq. | | | | | | |
| Nicollette | WA | Count 1 | Count 2 | Count 3 | Count 99 | Count 100 | Count 101 | |
| Covey | | Breach of | Unjust | Fraudulent | Violation of | Breach of | Breach of The | |
| | | Warranty | Enrichment | Omission | The | Express | Implied | |
| | | Under the | | | Washington | Warranty | Warranty of | |
| | | Magnuso | | | Consumer | Wash. Rev. | Merchantability | |
| | | n-Moss | | | Protection Act | Code §§ | Wash. Rev. | |
| | | Warranty | | | Wash. Rev. | 62A.2-313 | Code §§ 62A.2- | |
| | | Act, 15 | | | Code § | and | 314 and | |
| | | U.S.C. § | | | 19.86.010, et | 62A.2A- | 62A.2A-212 | |
| | | 2303, et | | | seq. | 210 | | |
| | | seq. | | | | | | |

| Plaintiff(s) | State | | COUNTS | | | | | | | |
|---------------------|-------|-----------|------------|------------|---------------|------------|-----------------|--|--|--|
| Phil Houk | WI | Count 1 | Count 2 | Count 3 | Count 102 | Count 103 | Count 104 | | | |
| | | Breach of | Unjust | Fraudulent | Violation of | Breach of | Breach of The | | | |
| | | Warranty | Enrichment | Omission | The | Express | Implied | | | |
| | | Under the | | | Wisconsin | Warranty | Warranty of | | | |
| | | Magnuso | | | Deceptive | Wis. Stat. | Merchantability | | | |
| | | n-Moss | | | Trade | §§ 402.313 | Wis. Stat. §§ | | | |
| | | Warranty | | | Practices Act | and | 402.314 and | | | |
| | | Act, 15 | | | Wis. Stat. § | 411.210 | 411.212 | | | |
| | | U.S.C. § | | | 110.18 | | | | | |
| | | 2303, et | | | | | | | | |
| | | seq. | | | | | | | | |