Plaintiff George Pio ("Plaintiff"), individually and on behalf of all other persons similarly situated, by his undersigned attorneys, for his complaint against defendants, alleges the following based upon personal knowledge as to himself and his own acts, and information and belief as to all other matters, based upon, *inter alia*, the investigation conducted by and through his attorneys, which included, among other things, a review of the defendants' public documents, conference calls and announcements made by defendants, United States Securities and Exchange Commission ("SEC") filings, wire and press releases published by and regarding General Motors Company ("GM" or the "Company"), analyst reports and advisories about the Company, and information readily obtainable on the Internet.
NATURE OF THE ACTION

1. This is a federal securities class action on behalf of a class consisting of all persons other than defendants who purchased GM securities between November 17, 2010 and March 10, 2014, inclusive (the “Class Period”), seeking to recover damages caused by defendants’ violations of the federal securities laws and to pursue remedies under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (the “Exchange Act”) and Rule 10b-5 against the Company and certain of its top officials.

2. GM is one of the nation’s oldest and largest car manufacturers. With a dealership network that spans the globe and over 200,000 employees, the Company plays a major role in the United States and international automobile market.

3. The Company and its subsidiaries offer to car buyers across the globe a wide range of car brands, each featuring varying price points, stylistic details, design and other features. These brands include: Buick, Cadillac, Chevrolet, GMC, Daewoo, Holden, Opel, Vauxhall and Isuzu. The Company’s North America subsidiary, GM North America (“GNMA”), offers four main brands to consumers in the U.S., Canada and Mexico: Chevrolet, GMC, Buick and Cadillac.

4. The GM brand cars have historically been held in high esteem by consumers for the cars’ safety, reliability, value, luxury and other features. Brand value, manufacturer goodwill and other reputational elements are especially
important to car buyers as car purchases are typically expensive purchases, involving a long review of available options, value and reputation of the subject vehicles and manufacturer.

5. The most important factor for car buyers when considering which make and model of car to purchase, according to a recent Consumer Reports study, is car safety.

6. In its prior annual reports and financial statements GM states that its “vision is to design, build and sell the world’s best vehicles”:

The primary elements of our strategy to achieve this vision are to:

- Deliver a product portfolio of the world’s best vehicles, allowing us to maximize sales under any market conditions;

- Sell our vehicles globally by targeting developed markets, which are projected to have increases in vehicle demand as the global economy recovers, and further strengthening our position in high growth emerging markets;

- Improve revenue realization and maintain a competitive cost structure to allow us to remain profitable at lower industry volumes and across the lifecycle of our product portfolio; and

- Maintain a strong balance sheet by reducing financial leverage given the high operating leverage of our business model.
7. As a further testament to the importance of maintaining a strong reputation for safety and quality in the automotive marketplace, the Company attested that: “[t]he principal factors that determine consumer vehicle preferences in the markets in which we operate include price, quality, available options, style, safety, reliability, fuel economy and functionality.” [Emphasis added.]

8. Despite playing lip service to the importance of safety and quality to its reputation and position in the marketplace, Defendants engaged in a scheme to hide from consumers and investors that GM’s cars were plagued with a number of dangerous defects, which resulted in a multitude of adverse events including fatal car crashes and devastating injuries to GM’s automobiles, drivers, passengers and others.

9. The principal defect at issue was a small, but catastrophic problem concerning GM cars’ ignition switch, and the switch’s susceptibility to becoming jarred in routine driving situations, thereby shutting off the vehicle, and cutting off essential safety features such as airbags, power brakes and power steering. Once the car was shut-off by the ignition failure, a driver was susceptible to higher rates of accidents, and could not effectively steer and brake the vehicle as a result of the loss in steering and brake functionality. Further exacerbating the situation was the fact that upon impact, passengers in GM vehicles would not be protected by the cars’ airbags, and were therefore more prone to severe injuries and fatalities.
10. Yet, despite being fully aware as early as 2001 of the severe and easily corrected defect in its cars, the Company refused to engage the legally required recall, and instead continued to sell millions of defective cars to U.S. consumers, causing further injuries and fatalities. Such behavior not only subjected GM consumers to an incredible risk of injury to themselves, their families and others, but also exposed the Company itself to significant reputational and legal exposure.

11. GM’s illegal and immoral activities during the Class Period effectively eviscerated GM’s reputation for safety, quality, value and performance. Moreover, the news of the Company’s recalls through a series of disclosures, and later reports of government criminal and civil investigations into the Company, triggered a sharp decline in the Company’s share price, wiping out billions in shareholder value.

12. On February 7, 2014, the Company notified the NHTSA of its decision to recall 2005-2007 Chevrolet Cobalt and 2007 Pontiac G5 vehicles, due to defects in the manufacturing of their key ignition switches.

13. On this news, the Company’s shares fell $1.21 per share or over 3% to close at $34.90 per share on February 10, 2014.

14. Then, on February 24, 2014, the Company expanded the recall to include the 2003-2007 Saturn Ion, 2006-2007 Chevrolet HHR and Pontiac
Solstice, and 2007 Saturn Sky. These initial recall announcements included more than 1.65 million vehicles.

15. On March 11, 2014, the Company sent a letter to the National Highway Traffic Safety Administration ("NHTSA") detailing the alleged issues with GM’s ignition switches and submitted a chronology of the Company’s discovery of such problems and failure to properly advise consumers and regulators, leading to various injuries and deaths.

16. On this news, the Company’s shares fell $1.91, to close on March 11, 2014 at $35.18 per share, a one day decline of over 5%, on volume of over 41 million shares.

17. The Company’s stock price continued to decline in the subsequent trading sessions after reports of a criminal investigation into GM’s business practices was reported on March 11, 2013, after trading hours. The Company’s stock price fell a further $1.09, or 3% per share, to close on March 13, 2014 at $34.09.

18. On March 17, 2014, the Company issued a press release announcing that “GM redoubles safety efforts,” and reported further recalls of vehicles including over 1.5 million additional cars not previously recalled. Thus, in a span of less than seven weeks, the Company announced recalls more than 3.1 million
vehicles. The Company also announced a $300 million charge in the first quarter of 2014 in order to deal with the recall campaigns.

19. Throughout the Class Period, Defendants made false and/or misleading statements, as well as failed to disclose material adverse facts about the Company's business, operations, and prospects. Specifically, Defendants made false and/or misleading statements and/or failed to disclose that: (1) GM was in breach of applicable industry and government regulations and policies concerning passenger and automotive safety; (2) the Company was subject to criminal and civil litigation and potentially devastating harm to its reputation and future revenues; (3) over three million GM cars contained defects subjecting drivers, passengers and others to devastating, and at times fatal, injuries; (4) the Company lacked adequate internal controls; (5) despite defendants' knowing of such potential harm to drivers and passengers, as early as 2001, the Company refused to recall such vehicles for a quick and inexpensive fix to the cars' ignition switches, leading to at least twelve reported deaths and countless injuries; and, (6) as a result of the foregoing, the Company's statements were materially false and misleading at all relevant times.

20. As a result of Defendants' wrongful acts and omissions, and the precipitous decline in the market value of the Company's securities, Plaintiff and other Class members have suffered significant losses and damages.
JURISDICTION AND VENUE

21. The claims asserted herein arise under and pursuant to Sections 10(b) and 20(a) of the Exchange Act (15 U.S.C. §78j(b) and 78t(a)) and Rule 10b-5 promulgated thereunder (17 C.F.R. §240.10b-5).

22. This Court has jurisdiction over the subject matter of this action pursuant to § 27 of the Exchange Act (15 U.S.C. §78aa) and 28 U.S.C. §1331.

23. Venue is proper in this District pursuant to §27 of the Exchange Act, 15 U.S.C. §78aa and 28 U.S.C. §1391(b) as the Company is headquartered in this District.

24. In connection with the acts, conduct and other wrongs alleged in this Complaint, defendants, directly or indirectly, used the means and instrumentalities of interstate commerce, including but not limited to, the United States mail, interstate telephone communications and the facilities of the national securities exchange.

PARTIES

25. Plaintiff, as set forth in the attached certification, purchased GM securities at artificially inflated prices during the Class Period was damaged upon the revelation of the alleged corrective disclosures.

26. Defendant GM is a Delaware corporation with its executive offices located at 300 Renaissance Center, Detroit, MI 48265. The Company’s common
stock is traded on the New York Stock Exchange ("NYSE") under the ticker symbol "GM."

27. Defendant Mary T. Barra ("Barra") currently serves as the Company’s CEO and a member of its Board of Directors, having previously served in various roles at the Company, since at least 1985, including as GM’s Executive Vice President for Global Product Development.

28. Defendant Daniel Ammann ("Ammann") currently serves as the Company’s President, having previously served in various roles at the Company, since at least 2010, including as GM’s Executive Vice President and Chief Financial Officer.

29. Defendant Alan S. Batey ("Batey") currently serves as the Company’s Executive Vice President of GM North America, having previously served in various roles at the Company since at least 2006, including as GM’s Senior Vice President Global Chevrolet and Brand Chief and U.S. Sales and Marketing.

30. Defendant James B. DeLuca ("DeLuca") currently serves as the Company’s Executive Vice President, Global Manufacturing, having previously served in various roles at the Company since at least 2007.

31. Defendant Daniel F. Akerson ("Akerson") served as the Company’s Chief Executive Officer of GM during the relevant period, until his resignation in 2013.
32. The defendants referenced above in ¶¶ 27 – 31 are sometimes referred to herein as the “Individual Defendants.”

**SUBSTANTIVE ALLEGATIONS**

**Background**

33. GM is one of the nation’s oldest and largest car manufacturers. With a dealership network that spans the globe and over 200,000 employees, the Company plays a major role in the United States and international automobile market.

**Materially False and Misleading Statements Issued During the Class Period**

34. On April 7, 2010, the Company filed with the SEC an annual report on Form 10-K. For the fiscal year ended December 31, 2009. The Company reported annual revenues of $104.5 billion, and non-operating gains of $130 billion, resulting in net income of $104 billion. In addition, the Form 10-K contained signed certifications pursuant to the Sarbanes-Oxley Act of 2002 (“SOX”) by Defendants Akerson and Ammann stating that the financial information contained in the Form 10-Q was accurate, and disclosed any material changes to the Company’s internal control over financial reporting, specifically representing that, “this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.”
35. In its annual report, GM advised investors that it was poised to compete in the global automotive marketplace by promoting the safety, reliability and value of its vehicles. Moreover, the Company touted the principles upon which the Company competes:

The global automotive industry is highly competitive. The principal factors that determine consumer vehicle preferences in the markets in which we operate include price, quality, available options, style, safety, reliability, fuel economy and functionality. Market leadership in individual countries in which we compete varies widely.

36. The Company also advised investors of its obligations to protect the safety of car drivers and passengers under U.S. and foreign law including by notifying owners of potential car defects and instituting recalls, if necessary:

In the U.S. if 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 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. Other countries pass regulations which are more stringent than U.S. standards. Many countries require type approval while the U.S. and Canada require self-certification.
37. On May 17, 2010, the Company filed with the SEC a quarterly report on Form 10-Q for the period ended March 31, 2010. The Company reported a closing Product Warranty Liability balance, including provisions for recall campaigns, of $6.7 billion, and also informed investors that a critical component of the reliability of their financial statements was the Company’s “ability to maintain quality control over our vehicles and avoid material vehicle recalls.”

38. On August 16, 2010, the Company filed with the SEC a quarterly report on Form 10-Q for the period ended June 30, 2010. The Company informed investors that a critical component of the reliability of their financial statements was the Company’s “ability to maintain quality control over our vehicles and avoid material vehicle recalls.”

39. On November 10, 2010, the Company filed with the SEC a quarterly report on Form 10-Q for the period ended September 30, 2010. The Company informed investors that a critical component of the reliability of their financial statements was the Company’s “ability to maintain quality control over our vehicles and avoid material vehicle recalls.”

40. On March 1, 2011, the Company filed with the SEC an annual report on Form 10-K. For the fiscal year ended December 31, 2010. The Company reported annual revenues of $135.5 billion, and net income of $6.1 billion, resulting in diluted earnings per share of $2.89. In addition, the Form 10-K
contained signed certifications pursuant to the Sarbanes-Oxley Act of 2002 ("SOX") by Defendants Akerson and Ammann stating that the financial information contained in the Form 10-Q was accurate, and disclosed any material changes to the Company’s internal control over financial reporting, and specifically stated, “this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.”

41. In its annual report, GM advised investors that it was poised to compete in the global automotive marketplace by promoting the safety, reliability and value of its vehicles amongst various factors. The Company further touted the principles upon which the Company competes:

The global automotive industry is highly competitive. The principal factors that determine consumer vehicle preferences in the markets in which we operate include price, quality, available options, style, safety, reliability, fuel economy and functionality. Market leadership in individual countries in which we compete varies widely.

42. The Company also advised investors of its obligations to protect the safety of car drivers and passengers under U.S. and foreign law, including by notifying owners of potential car defects and potentially instituting a recall of defective vehicles:
In the U.S. if 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 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. Other countries pass regulations which are more stringent than U.S. standards. Many countries require type approval while the U.S. and Canada require self-certification.

43. On May 6, 2011, the Company filed with the SEC a quarterly report on Form 10-Q for the period ended March 31, 2011. The Company reported a closing Product Warranty Liability balance, including provisions for recall campaigns, of $6.7 billion and also informed investors that a critical component of the reliability of their financial statements was the Company’s “ability to maintain quality control over our vehicles and avoid material vehicle recalls.”

44. On August 5, 2011, the Company filed with the SEC a quarterly report on Form 10-Q for the period ended June 30, 2011. The Company reported a closing Product Warranty Liability balance, including provisions for recall campaigns, of $6.9 billion and also informed investors that a critical component of
the reliability of their financial statements was the Company’s “ability to maintain quality control over our vehicles and avoid material vehicle recalls.”

45. On November 9, 2011, the Company filed with the SEC a quarterly report on Form 10-Q for the period ended September 30, 2011. The Company reported a closing Product Warranty Liability balance, including provisions for recall campaigns, of $6.6 billion and also informed investors that a critical component of the reliability of their financial statements was the Company’s “ability to maintain quality control over our vehicles and avoid material vehicle recalls.”

46. On February 27, 2012, the Company filed with the SEC an annual report on Form 10-K. For the fiscal year ended December 31, 2011. The Company reported annual revenues of $150.2 billion, and net income of $9.1 billion, resulting in diluted earnings per share of $4.58. In addition, the Form 10-K contained signed certifications pursuant to the Sarbanes-Oxley Act of 2002 (“SOX”) by Defendants Akerson and Ammann, stating that the financial information contained in the Form 10-Q was accurate, and disclosed any material changes to the Company’s internal control over financial reporting, and specifically stated, “this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light
of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.”

47. In its annual report, GM advised investors that it was poised to compete in the global automotive marketplace by promoting the safety, reliability and value of its vehicles amongst various factors. The Company further touted to investors the principles upon which the Company competes:

The global automotive industry is highly competitive. The principal factors that determine consumer vehicle preferences in the markets in which we operate include price, quality, available options, style, safety, reliability, fuel economy and functionality. Market leadership in individual countries in which we compete varies widely.

48. The Company also advised investors of its obligations to protect the safety of car drivers and passengers under U.S. and foreign law, including by notifying owners of potential car defects and potentially instituting a recall of defective vehicles:

In the U.S. if 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 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. Other countries pass regulations which are more stringent than U.S. standards. Many countries require type approval while the U.S. and Canada require self-certification.

49. On May 3, 2012, the Company filed with the SEC a quarterly report on Form 10-Q for the period ended March 31, 2012. The Company also informed investors that a critical component of the reliability of their financial statements was the Company’s “ability to maintain quality control over our vehicles and avoid material vehicle recalls.”

50. On August 3, 2012, the Company filed with the SEC a quarterly report on Form 10-Q for the period ended June 30, 2012. The Company reported a closing Product Warranty Liability balance, including provisions for recall campaigns, of $6.8 billion and also informed investors that a critical component of the reliability of their financial statements was the Company’s “ability to maintain quality control over our vehicles and avoid material vehicle recalls.”

51. On October 31, 2012, the Company filed with the SEC a quarterly report on Form 10-Q for the period ended September 30, 2012. The Company reported a closing Product Warranty Liability balance, including provisions for recall campaigns, of $7.1 billion and also informed investors that a critical component of the reliability of their financial statements was the Company’s
“ability to maintain quality control over our vehicles and avoid material vehicle recalls.”

52. On February 15, 2013, the Company filed with the SEC an annual report on Form 10-K. For the fiscal year ended December 31, 2012. The Company reported annual revenues of $152.2 billion, and net income of $6.1 billion resulting in diluted earnings per share of $2.92. In addition, the Form 10-K contained signed certifications pursuant to the Sarbanes-Oxley Act of 2002 (“SOX”) by Defendants Akerson and Ammann stating that the financial information contained in the Form 10-Q was accurate, and disclosed any material changes to the Company’s internal control over financial reporting, and specifically stated, “this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.”

53. In its annual report GM advised investors that it was poised to compete in the global automotive marketplace by promoting the safety, reliability and value of its vehicles amongst various factors. The Company further touted to investors the principles upon which the Company competes:
The global automotive industry is highly competitive. The principal factors that determine consumer vehicle preferences in the markets in which we operate include price, quality, available options, style, safety, reliability, fuel economy and functionality. Market leadership in individual countries in which we compete varies widely.

54. The Company also advised investors of its obligations to protect the safety of car drivers and passengers under U.S. and foreign law including by notifying owners of potential car defects and instituting recalls of defective vehicles, when necessary:

In the U.S. if 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 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. Other countries pass regulations which are more stringent than U.S. standards. Many countries require type approval while the U.S. and Canada require self-certification.

55. On May 2, 2013, the Company filed with the SEC a quarterly report on Form 10-Q for the period ended March 31, 2013. The Company reported a closing Product Warranty Liability balance, including provisions for recall
campaigns, of $7.1 billion and also informed investors that a critical component of the reliability of their financial statements was the Company’s “ability to maintain quality control over our vehicles and avoid material vehicle recalls.”

56. On July 25, 2013, the Company filed with the SEC a quarterly report on Form 10-Q for the period ended June 30, 2013. The Company reported a closing Product Warranty Liability balance, including provisions for recall campaigns, of $6.7 billion and also informed investors that a critical component of the reliability of their financial statements was the Company’s “ability to maintain quality control over our vehicles and avoid material vehicle recalls.”

57. On October 30, 2013, the Company filed with the SEC a quarterly report on Form 10-Q for the period ended September 30, 2013. The Company reported a closing Product Warranty Liability balance, including provisions for recall campaigns, of $7.1 billion and also informed investors that a critical component of the reliability of their financial statements was the Company’s “ability to maintain quality control over our vehicles and avoid material vehicle recalls.”

58. On February 6, 2014, the Company filed with the SEC an annual report on Form 10-K. For the fiscal year ended December 31, 2013. The Company reported annual revenues of $155.4 billion, and net income of $5.3 billion, resulting in diluted earnings per share of $2.38. In addition, the Form 10-K
contained signed certifications pursuant to the Sarbanes-Oxley Act of 2002 ("SOX") by Defendants Akerson and Ammann stating that the financial information contained in the Form 10-Q was accurate, and disclosed any material changes to the Company’s internal control over financial reporting, and specifically represented that “this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.”

59. In its annual report, GM advised investors that it was poised to compete in the global automotive marketplace by promoting the safety, reliability and value of its vehicles amongst various factors. The Company further touted to investors the principles upon which the Company competes:

The global automotive industry is highly competitive. The principal factors that determine consumer vehicle preferences in the markets in which we operate include price, quality, available options, style, safety, reliability, fuel economy and functionality. Market leadership in individual countries in which we compete varies widely.

60. The Company also advised investors of its obligations to protect the safety of car drivers and passengers under U.S. and foreign law, including by notifying owners of potential car defects and potentially instituting recalls, when necessary:
In the U.S. if 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 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. Other countries pass regulations which are more stringent than U.S. standards. Many countries require type approval while the U.S. and Canada require self-certification.

61. In addition, throughout the relevant period, the Company’s website advertised the high safety ratings of GM vehicles, proclaiming:

*Quality and safety are at the top of the agenda at GM, as we work on technology improvements in crash avoidance and crashworthiness to augment the post-event benefits of OnStar, like advanced automatic crash notification.*

Understanding what you want and need from your vehicle helps GM proactively design and test features that help keep you safe and enjoy the drive. Our engineers thoroughly test our vehicles for durability, comfort and noise minimization before you think about them. The same quality process ensures our safety technology performs when you need it.

[Emphasis added.]

62. The statements referenced in ¶ 34 – 61 were materially false and misleading, as well as failed to disclose material adverse facts about the Company’s
business, operations, and prospects. Specifically, Defendants made false and/or misleading statements and/or failed to disclose that: (1) GM was in breach of applicable industry and government regulations and policies concerning passenger and automotive safety; (2) the Company was subject to criminal and civil litigation and potentially devastating harm to its reputation and future revenues; (3) over three million of the Company’s cars were defective and subject to recall; (4) the Company lacked adequate internal controls; (5) despite defendants’ knowing of such potential harm to drivers and passengers, the Company refused to recall such vehicles for an inexpensive fix to the cars’ ignition switches, leading to at least twelve reported deaths and countless injuries; and, (6) as a result of the foregoing, the Company’s statements were materially false and misleading at all relevant times.

THE TRUTH SLOWLY EMERGES

63. On February 7, 2014, the Company notified the NHTSA of its decision to recall the 2005-2007 Chevrolet Cobalt and 2007 Pontiac G5 vehicles.

64. On this news, the Company’s shares fell $1.21 per share, or over 3% to close at $34.90 per share on February 10, 2014.

65. Then, on February 24, 2014, the Company expanded the recall to include the 2003-2007 Saturn Ion, 2006-2007 Chevrolet HHR and Pontiac
Solstice, and 2007 Saturn Sky. In total, this initial recall included more than 1.65 million vehicles.

66. On March 11, 2014, the Company sent a letter to the National Highway Traffic Safety Administration (“NHTSA”) detailing the alleged issues with GM’s ignition switches, and submitted a chronology of the Company’s discovery of such problems and failure to properly advise consumers and regulators, leading to various injuries and deaths. This chronology included:

- 2004 - GM concedes it knew in 2004, before launching the 2005 Chevrolet Cobalt, that the ignition switch might inadvertently move from "run" to "accessory," stalling the engine and cutting power to safety systems. A company engineer noted the problem when testing the soon-to-be-launched car, and engineers proposed several solutions, but because of "lead time required, cost, and effectiveness of each" solution, none was adopted and the car went to market with the faulty switch.

- 2005 - a partial fix was proposed -- but not adopted. Engineers suggested a simple change in the key from a slot to a round hole to ease stress on the switch -- a solution GM later adopted – but initial approval was later cancelled. Instead, GM sent a bulletin to dealers telling them to modify existing keys with an insert and to advise owners to take extra items off their
keychains -- but only if customers came in complaining of stalling problem on the Cobalt. Only 474 owners got the inserts, GM warranty data showed.

- 2005 - GM was aware the ignition risk extended beyond the Cobalt. Later that year, an updated bulletin was sent to dealers, expanding the models and years of vehicles involved – including all built with the same switch.

- 2006 - GM approved a modified switch, but didn't make it so mechanics could identify it. The engineer in charge of the ignition switch approved a new design by supplier Delphi, but the new design continued to use the same part number as the one it replaced. That means it wouldn't have been obvious to the company or to a dealer or repair shop whether a switch was the older design or the, presumably safer, newer configuration.

- 2007 - GM gets first report of fatal crash. Federal safety officials tell GM that a 2005 fatal Cobalt crash involved a switch that malfunctioned and airbags that failed to deploy. GM said it didn't know about the crash until informed by the officials. Moreover, only at that point does GM assign an engineer to track Cobalt crashes where the airbags fail.

- 2009 - GM finally adopts new key design. Keys now are made in the manner first proposed in 2005 -- with a hole and not a slot.
• 2013 - GM determines the original switch wasn't made correctly. GM determines, now years after the fact, that the switches made before the 2006 modifications failed to meet its design specifications.

• On Feb. 13, 2014 - GM recalls the Cobalt and nearly identical Pontiac G5 -- less than half the cars using the potentially faulty ignition switch. On Feb. 25, it adds the rest of the vehicles with the part -- all those mentioned in prior bulletins to investors. All 1.62 million vehicles throughout North America will get a new ignition switch to make sure the car doesn't stall and lose its airbags.

67. On this news, the Company’s shares fell $1.91 to close on March 11, 2014 at $35.18 per share, a one day decline of over 5%, on volume of over 41 million shares.

68. The Company’s stock price continued to decline in the two subsequent trading sessions, after reports of a criminal investigation into GM’s business practices was reported on March 11, 2013 after trading hours, as well as reports that the Company had discovered the defects in its ignition switch as far back as 2001. The Company’s stock price fell a further $1.09 or 3% per share, to close on March 13, 2014 at $34.09.

69. On March 17, 2014, the Company issued a press release announcing that “GM redoubles safety efforts,” and reported further recalls of vehicles
including over 1.5 million additional vehicles not previously recalled. The Company also announced a $300 million charge in the first quarter of 2014 in order to deal with the recall campaigns.

**PLAINTIFF’S CLASS ACTION ALLEGATIONS**

70. Plaintiff brings this action as a class action pursuant to Federal Rule of Civil Procedure 23(a) and (b)(3) on behalf of a Class, consisting of all those who purchased or otherwise acquired GM securities during the Class Period (the “Class”); and were damaged upon the revelation of the alleged corrective disclosures. Excluded from the Class are defendants herein, the officers and directors of the Company, at all relevant times, members of their immediate families and their legal representatives, heirs, successors or assigns and any entity in which defendants have or had a controlling interest.

71. The members of the Class are so numerous that joinder of all members is impracticable. Throughout the Class Period, GM securities were actively traded on the NYSE. While the exact number of Class members is unknown to Plaintiff at this time and can be ascertained only through appropriate discovery, Plaintiff believes that there are hundreds or thousands of members in the proposed Class. Record owners and other members of the Class may be identified from records maintained by GM or its transfer agent and may be notified of the
pendency of this action by mail, using the form of notice similar to that customarily used in securities class actions.

72. Plaintiff’s claims are typical of the claims of the members of the Class as all members of the Class are similarly affected by defendants’ wrongful conduct in violation of federal law that is complained of herein.

73. Plaintiff will fairly and adequately protect the interests of the members of the Class and has retained counsel competent and experienced in class and securities litigation. Plaintiff has no interests antagonistic to or in conflict with those of the Class.

74. Common questions of law and fact exist as to all members of the Class and predominate over any questions solely affecting individual members of the Class. Among the questions of law and fact common to the Class are:

- whether the federal securities laws were violated by defendants’ acts as alleged herein;
- whether statements made by defendants to the investing public during the Class Period misrepresented material facts about the business, operations and management of GM;
- whether the Individual Defendants caused GM to issue false and misleading financial statements during the Class Period;
- whether defendants acted knowingly or recklessly in issuing false and misleading financial statements;
- whether the prices of GM securities during the Class Period were artificially inflated because of the defendants’ conduct complained of herein; and
• whether the members of the Class have sustained damages and, if so, what is the proper measure of damages.

75. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy since joinder of all members is impracticable. Furthermore, as the damages suffered by individual Class members may be relatively small, the expense and burden of individual litigation make it impossible for members of the Class to individually redress the wrongs done to them. There will be no difficulty in the management of this action as a class action.

76. Plaintiff will rely, in part, upon the presumption of reliance established by the fraud-on-the-market doctrine in that:

• defendants made public misrepresentations or failed to disclose material facts during the Class Period;

• the omissions and misrepresentations were material;

• GM securities are traded in efficient markets;

• the Company’s shares were liquid and traded with moderate to heavy volume during the Class Period;

• the Company traded on the NYSE, and was covered by multiple analysts;

• the misrepresentations and omissions alleged would tend to induce a reasonable investor to misjudge the value of the Company’s securities; and

• Plaintiff and members of the Class purchased and/or sold GM securities between the time the defendants failed to disclose or misrepresented material facts and the time the true facts were
disclosed, without knowledge of the omitted or misrepresented facts.

77. Based upon the foregoing, Plaintiff and the members of the Class are entitled to a presumption of reliance upon the integrity of the market.

78. Alternatively, Plaintiffs and the members of the Class are entitled to the presumption of reliance established by the Supreme Court in *Affiliated Ute Citizens of the State of Utah v. United States*, 406 U.S. 128, 92 S. Ct. 2430 (1972), as Defendants omitted material information in their Class Period statements in violation of a duty to disclose such information, as detailed above.

**COUNT I**

(Against All Defendants For Violations of Section 10(b) And Rule 10b-5 Promulgated Thereunder)

79. Plaintiff repeats and realleges each and every allegation contained above as if fully set forth herein.

80. This Count is asserted against defendants and is based upon Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5 promulgated thereunder by the SEC.

81. During the Class Period, defendants engaged in a plan, scheme, conspiracy and course of conduct, pursuant to which they knowingly or recklessly engaged in acts, transactions, practices and courses of business which operated as a fraud and deceit upon Plaintiff and the other members of the Class; made various
untrue statements of material facts and omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and employed devices, schemes and artifices to defraud in connection with the purchase and sale of securities. Such scheme was intended to, and, throughout the Class Period, did: (i) deceive the investing public, including Plaintiff and other Class members, as alleged herein; (ii) artificially inflate and maintain the market price of GM securities; and (iii) cause Plaintiff and other members of the Class to purchase GM securities and options at artificially inflated prices. In furtherance of this unlawful scheme, plan and course of conduct, defendants, and each of them, took the actions set forth herein.

82. Pursuant to the above plan, scheme, conspiracy and course of conduct, each of the defendants participated directly or indirectly in the preparation and/or issuance of the quarterly and annual reports, SEC filings, press releases and other statements and documents described above, including statements made to securities analysts and the media that were designed to influence the market for GM securities. Such reports, filings, releases and statements were materially false and misleading in that they failed to disclose material adverse information and misrepresented the truth about GM’s finances and business prospects.

83. By virtue of their positions at GM, defendants had actual knowledge of the materially false and misleading statements and material omissions alleged
herein and intended thereby to deceive Plaintiff and the other members of the Class, or, in the alternative, defendants acted with reckless disregard for the truth in that they failed or refused to ascertain and disclose such facts as would reveal the materially false and misleading nature of the statements made, although such facts were readily available to defendants. Said acts and omissions of defendants were committed willfully or with reckless disregard for the truth. In addition, each defendant knew or recklessly disregarded that material facts were being misrepresented or omitted as described above.

84. Information showing that defendants acted knowingly or with reckless disregard for the truth is peculiarly within defendants’ knowledge and control. As the senior managers and/or directors of GM, the Individual Defendants had knowledge of the details of GM internal affairs.

85. The Individual Defendants are liable both directly and indirectly for the wrongs complained of herein. Because of their positions of control and authority, the Individual Defendants were able to and did, directly or indirectly, control the content of the statements of GM. As officers and/or directors of a publicly-held company, the Individual Defendants had a duty to disseminate timely, accurate, and truthful information with respect to GM’s businesses, operations, future financial condition and future prospects. As a result of the dissemination of the aforementioned false and misleading reports, releases and public
statements, the market price of GM securities was artificially inflated throughout the Class Period. In ignorance of the adverse facts concerning GM’s business and financial condition which were concealed by defendants, Plaintiff and the other members of the Class purchased GM securities at artificially inflated prices and relied upon the price of the securities, the integrity of the market for the securities and/or upon statements disseminated by defendants, and were damaged thereby.

86. During the Class Period, GM securities were traded on an active and efficient market. Plaintiff and the other members of the Class, relying on the materially false and misleading statements described herein, which the defendants made, issued or caused to be disseminated, or relying upon the integrity of the market, purchased shares of GM securities at prices artificially inflated by defendants’ wrongful conduct. Had Plaintiff and the other members of the Class known the truth, they would not have purchased said securities, or would not have purchased them at the inflated prices that were paid. At the time of the purchases by Plaintiff and the Class, the true value of GM securities was substantially lower than the prices paid by Plaintiff and the other members of the Class. The market price of GM securities declined sharply upon public disclosure of the facts alleged herein to the injury of Plaintiff and Class members.
87. By reason of the conduct alleged herein, defendants knowingly or recklessly, directly or indirectly, have violated Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder.

88. As a direct and proximate result of defendants’ wrongful conduct, Plaintiff and the other members of the Class suffered damages in connection with their respective purchases and sales of the Company’s securities during the Class Period, upon the disclosure that the Company had been disseminating misrepresented financial statements to the investing public.

**COUNT II**

(Violations of Section 20(a) of the Exchange Act Against The Individual Defendants)

89. Plaintiff repeats and realleges each and every allegation contained in the foregoing paragraphs as if fully set forth herein.

90. During the Class Period, the Individual Defendants participated in the operation and management of GM, and conducted and participated, directly and indirectly, in the conduct of GM’s business affairs. Because of their senior positions, they knew the adverse non-public information about GM’s misstatement of income and expenses and false financial statements.

91. As officers and/or directors of a publicly owned company, the Individual Defendants had a duty to disseminate accurate and truthful information
with respect to GM’s financial condition and results of operations, and to correct promptly any public statements issued by GM which had become materially false or misleading.

92. Because of their positions of control and authority as senior officers, the Individual Defendants were able to, and did, control the contents of the various reports, press releases and public filings which GM disseminated in the marketplace during the Class Period concerning GM’s results of operations. Throughout the Class Period, the Individual Defendants exercised their power and authority to cause GM to engage in the wrongful acts complained of herein. The Individual Defendants therefore, were “controlling persons” of GM within the meaning of Section 20(a) of the Exchange Act. In this capacity, they participated in the unlawful conduct alleged which artificially inflated the market price of GM securities.

93. Each of the Individual Defendants, therefore, acted as a controlling person of GM. By reason of their senior management positions and/or being directors of GM, each of the Individual Defendants had the power to direct the actions of, and exercised the same to cause, GM to engage in the unlawful acts and conduct complained of herein. Each of the Individual Defendants exercised control over the general operations of GM and possessed the power to control the
specific activities which comprise the primary violations about which Plaintiff and the other members of the Class complain.

94. By reason of the above conduct, the Individual Defendants are liable pursuant to Section 20(a) of the Exchange Act for the violations committed by GM.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff demands judgment against defendants as follows:

A. Determining that the instant action may be maintained as a class action under Rule 23 of the Federal Rules of Civil Procedure, and certifying Plaintiff as the Class representative;

B. Requiring defendants to pay damages sustained by Plaintiff and the Class by reason of the acts and transactions alleged herein;

C. Awarding Plaintiff and the other members of the Class prejudgment and post-judgment interest, as well as their reasonable attorneys’ fees, expert fees and other costs; and

D. Awarding such other and further relief as this Court may deem just and proper.

DEMAND FOR TRIAL BY JURY

Plaintiff hereby demands a trial by jury.
Dated: March 21, 2014

Respectfully submitted,

/s/Patrick E. Cafferty
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