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News Release

Melton Family Refiles Lawsuit Against GM

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ATLANTA, GEORGIA (May 12, 2014) Ken and Beth Melton, parents of a 29-year-old Georgia woman who died in a 2010 crash linked to an ignition switch defect, have re-filed their claims against General Motors, alleging that the automaker fraudulently concealed critical evidence and allowed its corporate representative to commit perjury. The Meltons have also asked the court to sanction GM for its discovery abuses and the spoliation of evidence.

The civil liability lawsuit, filed in the State Court of Cobb County, Georgia, by attorneys Lance Cooper and Jere Beasley, alleges that GM fraudulently denied that any employee authorized, or even knew of, any design change in Cobalt ignition switches. Specifically, Ray DeGiorgio, the lead design engineer for Cobalt ignition switches, repeatedly testified that he did not authorize or know of any such changes. The company later affirmed his responses. GM's recent disclosures to the National Highway Traffic Safety Administration (NHTSA) and to Congress have revealed that those assertions were false.

"The Meltons would not have settled their case if they had known of the perjury and concealment of critical evidence," said Lance Cooper, of the Cooper firm in Marietta, Ga., who represented the Meltons. "It is now apparent that GM's plan was to resolve the Meltons' claims before disclosing the Cobalt ignition switch design changes." Ken and Beth Melton understand the significance of their decision to refile their lawsuit against GM. "We thought long and hard about this decision. Ultimately, we decided that GM should not be allowed to get away with what they did in the previous lawsuit."

Brooke Melton died March 10, 2010, when the ignition module of her 2005 Cobalt slipped into the accessory position as she drove along Highway 92 in Paulding County, Ga. Melton's Cobalt skidded into another vehicle, and Melton died of her injuries in the crash. The incident was initially attributed to Melton losing control of her car on a rainy night. An investigation showed that Melton's vehicle was actually equipped with a defective ignition module that would travel out of the run position. These shifts occur while the vehicle is underway, creating an emergency situation that incidentally turns off the airbags at the same time it is cutting off the engine power, anti-lock brakes and power steering.

The Melton family sought Cooper's counsel after facing a legal claim from the driver in the other vehicle. During discovery, GM produced documents showing that GM engineers discovered the ignition switch

problem during the Cobalt's production stage, but took the vehicle to market without remedying the problem. Instead, GM issued Technical Service Bulletins. The fix-- an ignition key cover that changed the design from a slot to a key hole -- did not solve the problem.

Last September, the Meltons settled their claims against GM. In late January, GM reported the defect to the National Highway Traffic Safety Administration and announced a recall of 2005-2007 Cobalt and Pontiac G5 vehicles. The Meltons, however, requested that NHTSA open a recall Timeliness Query, charging that GM had long known about the defect, and that the recall did not cover all of the affected vehicles. GM eventually widened the recall, and the agency has opened a TQ. But, the case has touched off a national controversy over GM's handling of the problem and NHTSA's response. Both have been the subject of Congressional hearings; both have helped form the basis for proposed amendments strengthening NHTSA's enforcement powers and civil penalties in the Grow America Act, the new transportation bill.

On April 11, the Meltons asked GM to rescind the original settlement, but the company refused. GM's attorney, Robert Ellis, responded: "As an initial matter, General Motors LLC ("GM") denies the assertion that GM fraudulently concealed relevant and critical facts in connection with the *Melton* matter. **And GM denies it engaged in any improper behavior in that action.**"

"The response by GM and its lawyers validates our decision," Ken and Beth said. "We are hopeful that this new lawsuit will uncover who at GM knew about the design change and why Brooke was never told."

"Our law firm is honored to be asked by Lance Cooper and the Melton family to assist them in the refiling and trial of the lawsuit against General Motors." Beasley Allen Founding Shareholder, Jere Beasley said. "This company has betrayed the American people and must be held accountable for their wanton conduct in the cover-up for over 10 years of a known defect. The Melton family is very brave and courageous in their desire to make sure that the public learns how truly bad GM's conduct was and how the automaker fraudulently dealt with the initial lawsuit they filed over the tragic death of their daughter. Lying under oath and committing perjury is about as low as it gets and GM must not be allowed to get away with this sort of conduct."

About The Cooper Firm

<u>Lance Cooper founded The Cooper Firm in 2006</u>. With experience in substantial personal injury and wrongful death cases, he has represented plaintiffs in numerous civil jury trials and has successfully prosecuted hundreds of cases and gained multi-million dollar verdicts and settlements on behalf of his clients. For more information about our firm, please visit <u>www.thecooperfirm.com</u>.

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Headquartered in Montgomery, Alabama, Beasley Allen is comprised of more than 70 attorneys and 200 support staff. Beasley Allen is a national leader in civil litigation, with verdicts and settlements in excess of \$22 billion. For more information about our firm, please visit our website at www.beasleyallen.com.

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