

C A N A D A

PROVINCE OF QUEBEC
DISTRICT OF
MONTREAL

NO : 500-06-001246-236

SUPERIOR COURT
(Class Action)

FRANK FIOLA residing and domiciled at [REDACTED]

[REDACTED] Province of Quebec, Canada;

Applicant

-vs-

GENERAL MOTORS COMPANY, a legal person incorporated pursuant to the laws of the State of Delaware in the United States of America, having its principal place of business at General Motors Company 300 Renaissance Center Detroit, Michigan 48243 USA;

-and-

GENERAL MOTORS OF CANADA COMPANY, a legal person established under the *Canada Business Corporations Act*, having his registered office in Ontario at 500 rue Wentworth W, Oshawa Ontario L1J0C5 Canada and in Quebec at 5000, Route Trans-Canadienne, Pointe-Claire QC H9R4R2, Canada

Defendants

**APPLICATION TO AUTHORIZE THE BRINGING OF A CLASS ACTION & TO
ASCRIBE THE STATUS OF REPRESENTATIVE
(ART. 574 C.C.P. AND FOLLOWING)**

**TO ONE OF THE HONOURABLE JUSTICES OF THE SUPERIOR COURT OF
QUEBEC, SITTING IN AND FOR THE DISTRICT OF MONTREAL, THE APPLICANT
STATES THE FOLLOWING:**

GENERAL PRESENTATION

1. The Applicant wishes to institute a class action on behalf of the following group, of which he is a member, namely:

All the persons in Quebec (including but not limited to individuals, corporations, and estates) who, prior to the date of authorization of this action as a class action, bought or leased vehicles (new or used) designed, manufactured, marketed, distributed, sold, warranted, or serviced by GM and equipped with GM's Hydra-Matic 8L90 transmission or Hydra-Matic 8L45 transmission (collectively, "Transmissions").

(hereinafter collectively referred to as "**Class Member(s)**", "**Group Member(s)**", the "**Group**", the "**Class**", or the "**Member(s)**").

10. Without prejudice to any amendments which may be made in future, given that the Defendants will necessarily have better and more complete information regarding the use of the Transmissions, "**Class Vehicles**" include inter alia the following makes and models of vehicles and are not limited to:

- a. 2016-2023 Chevrolet Camaro
- b. 2015-2023 Chevrolet Colorado
- c. 2015-2019 Chevrolet Corvette
- d. 2017-2023 Chevrolet Express (2.8L diesel engine/4.3 gas engine only)
- e. 2015-2023 Chevrolet Silverado
- f. 2016-2023 Cadillac ATS-V, CT6, and CTS-V
- g. 2015-2017 Cadillac Escalade
- h. 2015-2019 GMC Canyon
- i. 2017-2023 GMC Savana (2.8L diesel engine/4.3 gas engine only)
- j. 2015-2019 GMC Sierra
- k. 2015-2017 GMC Yukon Denali XL

THE DEFENDANTS

2. The Defendant, GENERAL MOTORS OF CANADA COMPANY ("**General Motors**

Canada”), is a corporation incorporated pursuant to the laws of the province of Nova Scotia and is registered Extra-Provincially in other areas, including Quebec. GM maintains its head office at 500 RUE Wentworth W, Oshawa Ontario L1J 0C5, Canada and maintains a registered office in Quebec at 5000, Route Trans-Canadienne in Pointe-Claire QC H9R4R2. The same corporation has not experienced bankruptcy, the whole as appears more fully from a copy of an extract from the Corporations Registry website—and the *Registraire des Entreprises du Quebec* website (communicated altogether herein as **EXHIBIT P-1**).

3. The defendant, General Motors Company, is a corporation incorporated pursuant to the laws of the State of Delaware in the United States of America, with the principal place of business at General Motors Company 300 Renaissance Center Detroit, Michigan 48243 USA. It’s registered Agent is at 251 Little Falls Drive, Wilmington DE 19808, the whole as appears more fully from a copy of an extract of the website of the State of Delaware Division of Corporations, (communicated herein as **EXHIBIT P-2**).
4. General Motors Company and its Canadian subsidiary, General Motors Canada, are the companies responsible for owning and operating several distinguished automobile brands in Quebec and Canada, including Chevrolet, Buick, GMC, and Cadillac. Each of these brands is a separate and distinct operation within General Motors’ corporate structure.
5. General Motors Company and General Motors Canada are engaged in a comprehensive range of business activities, which include designing, developing, testing, manufacturing, selling, and distributing vehicles in Canada, including Quebec. This involves a broad scope of operations, including research and development, design and engineering, vehicle testing, manufacturing, sales, and marketing.
6. Neither the Applicant nor the Class Members could reasonably be expected to know which of the Defendants has committed which individual wrong at this stage of these

proceedings because they work collectively but each is vicariously liable for the actions of the other.

7. Hereinafter, the Defendants General Motors Company and General Motors Canada will be collectively referred to as “**GM.**”
8. GM has, by its acts, omissions, wrongdoings, and breaches of legal duties and obligations, including but not limited to, negligence and failure to fulfill their statutory or duties under the Civil Code of Quebec have caused economic losses, hardship, harm, or damages to the Applicant and Class Members.

GENERAL FACTS:

A. Transmission Defects

9. GM manufactured, sold, and leased to The Applicant and Class Members vehicles between 2015 and 2023 equipped with one of two models of Hydra Matic 8L90 or the 8L45 transmission.
10. The Class Vehicles were sold with a defective 8L90 or 8L45 Transmission. When drivers attempt to accelerate or decelerate the cars shake, shudder, jerk, chunk, or “hard shift” when the vehicle’s automatic transmission changes gears. The shuddering, shaking and hesitating also occurs while the Class Vehicle accelerates without actively shifting gears.
11. The Class Vehicles can lose acceleration or deceleration unexpectedly and without warning which creates an immediate danger. This lack of acceleration or deceleration occurs suddenly, unexpectedly, and irregularly. If this occurs unexpectedly when passing, or when turning against oncoming traffic, or when leaving a stop sign it creates a uncontrollable situation thereby endangering any occupants in the Class Vehicle, other road users and pedestrians.

12. The shuddering, shaking, jerking, and hesitation is related to internal issues within the transmission or torque converter, causing undue friction and impairing the proper functioning of hydraulic systems and gears, which in turn results in metal shavings being circulated throughout the transmission. The internal issues within the transmission or torque converter cause causes friction and impairs the proper functioning of the hydraulic systems and gears. This friction and improper functioning creates metal shavings that circulate within and throughout the transmission. This is in turn results in the unexpected shuddering, shaking, jerking and hesitation experienced by Class Members when driving their Class Vehicles.
13. The damage created by the internal issues within the transmission and torque converter gets progressively worse increasing the cost of repairs to consumers which includes the need to flush the system to remove the metal shavings. These repairs as a result of defective parts in the Class Vehicles results expenses that should not be borne by Class Members.
14. Based on GM's inability to resolve the Defect, all Class Members will need the replacement of transmission components such as the torque converter, valve body, or the entire transmission. As such, the Transmission Defect endangers the drivers and passengers of the vehicles and diminishes the value of the vehicles. It creates uncertainty for drivers of the Class Vehicles, who cannot rely on their vehicles to operate consistently, reliably, or safely. GM's deliberate non-disclosure of these defects artificially inflated the purchase and lease price for Class Vehicles.
15. GM has been aware of the ongoing Transmission Defects for years since first introducing the 8L90 or 8L45 transmissions. Since 2015, GM has issued more than 60 versions of Technical Service Bulletins and related service updates to its dealers around the globe but not to its customers. These Technical Service Bulletins acknowledge ongoing problems including harsh shifting, shuddering, jerking, clunking and delays or loss in acceleration or deceleration relating to the 8L90 and 8L45 transmissions, the whole as it appears from a copy of TSBs of September 2014,

November 2016, November 2017, February 2019, August 2019, July 2020 and April 2022, communicated herein as **EXHIBIT P-3**;

16. Each Technical Service Bulletin (“**TSB**”) with respect to the issue of the transmission includes, but is not limited to, addressing the issue in the following ways:

- Complete the “clutch drive learn procedure”;
- Replace the valve body;
- Flush the cooler lines and cooler;
- Flush the transmission;
- Remove debris from and clean the transmission pan;
- Replace the transmission filter;
- Replace the transmission fluid; and

Replace the entire transmission

17. Despite this known issue GM has never notified consumers of the Transmission Defect.

18. GM had attempted to ignore and deceive Class Members about the Transmission Defect despite numerous Class Members’ warnings and complaints because no repair was available to Class Members until the first quarter of 2019. But even then, none of GM’s suggested repairs remedied the problem.

19. GM is merely biding time until warranties of the Class Members expire.

20. GM has not disclosed the Transmission Defect to Class Members at the time of purchase or through advertisements. Such disclosure would have impacted purchase decisions and purchase prices. GM could and should have warned Class Members about the Transmission Defect through advertisements, social media platforms, and communications from its authorized dealers. However, GM improperly failed to do so.

21. Had GM been truthful with The Applicant and The Class that the transmissions were unfixable and that, as a result, GM was not able to repair the transmissions effectively

under warranty, the Applicant and The Class would not have purchased their vehicles or would not have paid as much as they spent.

22. GM's decision to sell the Class Vehicles without disclosing its specialized knowledge of the Transmission Defects constitutes to unfair practices and violates consumer protection laws.

B. GM and the GM 8L45 and GM 8L90 Eight-speed Automatic Transmissions

23. GM is a designer, manufacturer, marketer, vendor, and distributor of cars, trucks, and other passenger vehicles, as well as vehicle parts.
24. GM sells vehicles under various brands, including Chevrolet, Buick, GMC, and Cadillac.
- a) According to the Canadian Vehicle Manufacturers' Association (CVMA), General Motors sold a total of 302,826 vehicles in Canada in 2018, generating approximately \$17.3 billion CAD in revenue from vehicle sales that year.
 - b) According to the Global Automakers of Canada, General Motors sold a total of 290,691 vehicles in Canada in 2019. This includes sales from all of its brands, including Chevrolet, GMC, Buick, and Cadillac.
 - c) GM reported revenue of \$147 billion USD for the full year 2019, according to their 2019 Annual Report.
 - d) GM's revenue for the twelve months ending December 31, 2022, was \$156.735 billion USD, a 23.41% increase year-over-year.
25. A vehicle's transmission is an integral component of a vehicle's driveline that channels power from the vehicle's engine to its wheels, resulting in vehicle movement. It also controls the power distribution of the engine and multiplies the torque of the vehicle's engine across a range of gears.

26. Without a properly functioning transmission, a vehicle's horsepower and torque cannot be used effectively, safely, and efficiently to accelerate, decelerate, and stop the vehicle. Moreover, without a properly functioning transmission, a vehicle cannot efficiently convert a vehicle's power into both forward and rearward movement.
27. A transmission aids the driver's ability to adjust the vehicle's speed and distributes power from the engine to different sets of gears inside the transmission, each of which corresponds to a different range of speed. For instance, a driver who wanted his vehicle to move slowly would likely need the transmission to channel the engine's power to a lower set of gears within the transmission corresponding to a lower speed—such as first or second gear. A driver like The Applicant, who wanted her vehicle to move faster, would need the transmission to deliver more power from the engine to a set of gears corresponding to a higher speed, such as fifth or sixth gear.
28. Automatic transmissions, like the 8- speed transmissions at issue in this action, are intended (and designed) to automatically “change gears” and determine which transmission gear receives power from the engine without input from the driver.
29. Thus, by automatically shifting gears, an automatic transmission allows a vehicle to accelerate, decelerate, and remain at predictable rates depending upon throttle input from the driver, which keeps the vehicle's speed consistent and controllable.
30. The automatic transmissions at issue also use a torque converter, which is a fluid-filled coupler between the engine and transmission. The torque converter multiplies the engine's torque depending on the rotational speed of the engine. In theory, the more gears available to receive power from the engine, the more precisely and efficiently a transmission can convert engine power into usable vehicle speed.
31. Prior to 2015, GM-brand vehicles were equipped with 6-speed transmissions. When GM announced that it would begin manufacturing 8-speed transmissions and installing them in GM-brand vehicles, GM advertised that the 8- speed transmissions would be able to distribute power more efficiently than their 6-speed predecessors.

32. In late 2014, GM began advertising a new feature for certain models of vehicles: the 8 speed automatic transmission.

33. As an illustration, GM introduced a new 8-speed automatic for Cadillac, GMC, Buick and Chevrolet models. GM untruthfully also marketed the transmissions to the Class as follows:

- a) *“General Motors (GM) is proud to announce the launch of its new 8 speed automatic transmission, now available on select 2016 models in Canada. This advanced transmission technology delivers unparalleled performance and efficiency, providing drivers with a smoother, more responsive driving experience.”*
- b) *“The 8 speed transmission is a game-changer for drivers who demand the best in performance and fuel efficiency,”* said **Steve Carlisle**, president and managing director of GM Canada. *“We are thrilled to offer this cutting-edge technology on select 2016 models in Canada, and we are confident that drivers will appreciate the improved driving experience it provides.”*

34. GM untruthfully advertised that the transmissions utilized in the Class Vehicles had the following features:

- a) Increased efficiency, up to five percent, over the previous 6-speed model
- b) A lighter design that fits in the same physical space as a 6-speed
- c) Integral, die-cast aluminum bell housing for reduced NVH
- d) Rated turbine torque capacity of 1000 Nm (738 lb-ft)
- e) VFS control components to monitor clutch pressures with optimum accuracy, producing fast and precise shifts
- f) Five clutch design that uses three at a time, leaving only two open clutches in each gear state.

C. 8L45 and 8L90 Transmissions Came with GM Warranty

35. GM provided all class vehicle purchasers with a New Vehicle Limited Warranty with the purchase or lease of the Class Vehicles. Each affected vehicle also came with a

warranty booklet explaining the terms of the warranty. The warranty booklet explains the terms of the warranty. The warranty booklet stated in pertinent parts:

a) Warranty Applies

- “This warranty is for GM vehicles originally sold new in Canada, registered in Canada and normally operated in Canada. General Motors of Canada Company warranty coverages may be void or subject to restrictions on GM vehicles that have been imported or exported.”

b) Repairs Covered

- “The warranty covers repairs to correct any covered vehicle defect due to materials or workmanship occurring during the Warranty Period, but not slight noise, vibrations, or other normal characteristics for the vehicle. Needed repairs will be performed using new, remanufactured, or refurbished parts.”

c) Duration

- “The Base Warranty coverage for Chevrolet, Buick, and GMC is for 3 years or 60,000 kilometres, whichever comes first, except for other coverages listed here under “What Is Covered” and those items listed under “What Is Not Covered.”

d) Powertrain Component Warranty Coverage

- “For Gasoline and Diesel, powertrain components are covered for 5 years or 100,000 kilometres, whichever comes first, except that certain Chevrolet or GMC vehicles sold as Commercial Fleet and/or Government Fleet vehicles and vehicles factory equipped with 6.6L Duramax Turbo-Diesel engine or equipped with a 3.0L Duramax

Turbo-Diesel Engine are covered for 5 years or 160,000 kilometres, whichever comes first.”¹

e) **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 a breach of this written warranty.”

36. These warranties and representations, which were made on a public and class-wide basis, were and are material to The Applicant and The Class, as they would not have purchased their vehicles or would not have paid as much as they did if their transmissions were not covered by a full warranty.

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

37. The Class Vehicles have a Transmission Defect that endangers the drivers and passengers of the vehicles who use them and others on the roads and highways.

¹ https://my.gm.ca/content/dam/gmownercenter/gmna/GMCC/dynamic/2017/buick/multi-model/en/17_Canadian_WM_en_US_84293059B_2016DEC01_2P.pdf

38. Drivers attempting to accelerate or decelerate their cars encounter a hesitation, followed by a significant shake, shudder, jerk, clunk, or “hard shift” when the automatic transmission changes the vehicles’ gears.
39. Drivers have experienced that the transmission shift in their vehicles is often abrupt and violent, causing them to feel as if they have been involved in a collision with another vehicle. A significant number of drivers have experienced that their vehicles undergo a delay in acceleration when trying to enter traffic, followed by an abrupt jolt into gear. Some drivers have also experienced that the transmission shift is so forceful that it propels their car forward, giving them the impression of a rear-end collision.
40. This sudden shift creates a safety hazard for drivers and other motorists on the road.
41. Besides creating hazardous unpredictability for drivers, the issue of hard shifting in the eight-speed transmissions causes deterioration of the transmission's components, resulting in their early malfunctioning, which requires repeated and/or expensive repairs, including replacement of the transmission and its related components which, in circumstances where GM dealers refuse to effect repairs, has resulted in expense for Class Members.

E. GM was Aware of Transmission defects through wide discussion and customer complaints on popular websites.

42. In addition to any internal testing that GM may have performed, it is reasonable to assume that GM became aware of the Transmission Defect through customer complaints.
43. This reasonable surmise flows from the indications of numerous complaints by Class Members and the extraordinarily numerous TSBs directed by GM to their dealers related to the issue of the transmission.

44. The consumer complaints include ample complaints on the following websites in the U.S. and Canada.

- Cadillacforums.com
- CarComplaints.com
- Gmauthority.com
- Edmunds.com

All as it appears from a copy of these complaints communicated herein all together as **EXHIBIT P-4** ;²

F. GM'S Knowledge of the Transmission Defect is Demonstrated by its Technical Service Bulletins

45. Over the eight-year period beginning around October 2015 and up to as recently as April 2023, GM issued a variety of additional TSBs and other bulletins to address the GM eight-speed automatic transmissions issue and specifically GM 8L45 and 8L90 delayed, jerked, shuddered and chunked when the automatic transmission shifts gears.

² Complaints accessible at the following links :

<https://www.cadillacforums.com/threads/gm-8l45-automatic-transmission-recall-replace-re-tune-or-deny.974121/>

https://www.carcomplaints.com/Chevrolet/Silverado_1500/2015/transmission/transmission_shifts_poorly.shtml

https://www.carcomplaints.com/Chevrolet/Silverado_1500/2015/transmission/transmission_shifts_poorly.shtml

<https://gmauthority.com/blog/2023/01/gm-releases-fix-for-2022-chevy-silverado-poor-transmission-shift-quality/>

<https://www.edmunds.com/gmc/yukon-xl/2016/consumer-reviews/?pagesize=50>

<https://www.edmunds.com/chevrolet/camaro/2016/consumer-reviews/>

46. For example, since at least September 1, 2014, GM began issuing regular and repeated service bulletins to GM service personnel regarding issues with vehicles equipped with the 8L90 transmissions. These include, *inter alia*:

No.	Service Bulletin	Models	Reason for the Bulletin
1.	14-07-30—001(from October 2014 to October 2018)	2015 Cadillac Escalade, Escalade ESV 2015 Chevrolet Corvette 2015 GMC Yukon	Some customers may comment on low mileage vehicles with automatic transmissions 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.
2.	14876(December 2014 to December 31, 2015)	2015 Cadillac Escalade, Escalade ESV 2015 Chevrolet Corvette, Silverado Double Cab, and Crew Cab 2015 GMC Sierra Double Cab and Crew Cab, Yukon, Yukon XL	Service Update for Inventory Vehicles Only 8-speed Transmission Harsh Shift
3.	15-NA-007(September 30, 2015, to January 2016)	2015 Cadillac Escalade, 2015 Chevrolet Silverado, 2015 GMC Sierra, 2015 GMC Yukon	Firm garage shifts, Park to Drive or Park to Reverse after the vehicle has be [sic] sitting for several hours with the engine off.
4.	PIP5337(January 20, 2016, to October 4, 2018)	2015-2016 Cadillac Escalades and Escalade ESVs; 2015-2016 Chevrolet Silverado and 2015-2016 GMC Sierras, Yukon's, and Yukon XLs	Shake or Shudder on Acceleration Excessive Engine RPM Fluctuation
5.	16-NA-175 (June 1, 2016, to February 8, 2019)	all GM passenger cars and trucks for model years 2015-2017 and Cadillac,	Shake and/or Shudder During Light Throttle Acceleration, Between 48 and 104 KM/H (30 and 65 MPH) at a Steady State

No.	Service Bulletin	Models	Reason for the Bulletin
		Chevrolet, and GMC brands	
6.	PIE0353(February 2016)	2016 Chevrolet Silverado Models 2016 GMC Sierra Models	a shake or shudder on light acceleration or steady state cruise. GM Engineering is attempting to determine the root cause of the above condition
7.	PIP5405(June 2016)	2014-2016 Chevrolet Corvette, Silverado 2016 Chevrolet Camaro 2014-2016 GMC Sierra 2015-2016 Chevrolet Tahoe, Suburban, GMC Yukon / XL 2015-2016 Cadillac Escalade 2016 Cadillac CTS-V	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. The normal operation of engines and transmissions generates various vibrations and engine, and transmission mounts try to isolate those vibrations from the rest of the vehicle.
8.	16-NA-014(November 2016)	2015-2016 Escalade, Escalade ESV, ATS and CTS 2015-2016 Chevrolet Camaro, Corvette, Silverado 2015-16 GMC Sierra, Yukon, Yukon XL	Delayed Engagement After Sitting with Engine Off <ul style="list-style-type: none"> • Vehicle delaying into gear. • Not wanting to move • Feeling like the transmission is slipping • Delayed engagement followed by a harsh engagement.
9.	16-NA-019(January 25, 2016, to August 2016)	2016 cars and trucks under the Buick, Cadillac, Chevrolet, or GMC	Information on Transmission Adaptive Functions and Correcting Low Mileage Harsh Shifts, Slips, or Flares. Check the ECM/TCM Software/Calibrations against what's currently in the vehicle, and the description of the update is relevant to the customer's concern please perform the update prior to proceeding with the learns.
10.	16 -NA-213(July 1, 2015 to September 14, 2015)	2015-2016 Cadillac Escalade, 2015-2016 Cadillac ATS, ATS V, CTS,	that the transmission has developed a harsh shift. The bulletin specifically noted that "there may be more than one shift

No.	Service Bulletin	Models	Reason for the Bulletin
		CTS V, 2015-2016 Chevrolet Corvette, 2015-2016 Chevrolet Silverado, and 2015-2016 GMC Sierra	that is harsh” and that some transmissions, those with “a suspect Clutch Control Solenoid,” should have the valve body replaced.
11.	PIP5437(November 2016)	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	to address consumer comments that “the transmission in their vehicle is not shifting correctly. 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.”
12.	PIE0405(April7, 2017to January 26, 2018)	2017-2018- Cadillac ATS, CT6, CTS, and Escalades; Chevrolet Camaros, Colorado’s, Corvettes, and Silverado; and GMC Canyons, Sierras, and Yukon	GM advised, “Some customers may comment on a shake or shudder while driving.” GM further advised service personnel, “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.
13.	16-NA-411(January 20, 2017)	2015-2016 Cadillac Escalade models; 2015-2016 Chevrolet Silverado, 2015-2016 GMC Sierra, and 2015-2016 GMC	<ul style="list-style-type: none"> • Harsh 1-2 upshift (except for the first 1-2 upshift of the day) • Harsh 3-1 downshift when decelerating to a stop • Harsh downshift under heavy throttle apply

No.	Service Bulletin	Models	Reason for the Bulletin
		Yukon models	<ul style="list-style-type: none"> • Active Fuel Management (AFM) V4 to V8 transition harshness • Coast down downshifts <p>The bulletin specifically acknowledged that:</p> <p>The new ECM and TCM software will not improve the following conditions and should not be installed for any of the following conditions:</p> <ul style="list-style-type: none"> • 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
14.	16-NA-404(April 2017)	2017 Cadillac ATS, CTS, CT6(Excluding RPO I16), Escalade 2017 Chevrolet Camaro, Corvette, Silverado, Suburban (Excluding RPO I16), Tahoe (Excluding RPO I16) 2017 GMC Sierra, Yukon (Excluding RPO I16)	<p>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.</p> <ul style="list-style-type: none"> • Harsh shift • Delayed shift • Unwanted downshift • Transmission stuck in one gear • Erratic shifting

No.	Service Bulletin	Models	Reason for the Bulletin
			<ul style="list-style-type: none"> • Hesitation between shifts • MIL illuminated
15.	16-NA-361(July 21, 2017)	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. The reported conditions as “due to the initial clutch fill time of the 2-3-4-6-8 (C4) clutch. Important: Replacing transmission components or complete assemblies will not improve the condition
16.	18-NA- 177(June 5, 2018)	2017-2018 Chevrolet Colorado and 2017- 2018 GMC Canyon	this bulletin update included a “Warranty Information” section with a specific Labor Operation code.
17.	18-NA-235(September 11, 2018, to January 2022)	2015-2017 Cadillac Escalade 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	Information on Surge, Chuggle, Misfire, Fishbite, and Shudder Feel During Driving Maneuvers. Bulletin specifically issued to address customer complaints of a surge, chuggle, misfire, fish bite, 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

No.	Service Bulletin	Models	Reason for the Bulletin
		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.	vehicle, and no repairs should be attempted.
18.	18-NA-355 (January 17, 2019)	2016-2019 Cadillac ATS and CTS, 2016-2018 Cadillac CT6, and 2015-2017 Cadillac Escalades; 2016-2019 Chevrolet Camaros, 2017-2019 Chevrolet Colorado 2015-2019 Chevrolet Corvettes, 2015- 2018 Chevrolet Silverado; 2017-2019 GMC Canyons 2015-2018 GMC Sierras and 2015-	GM issued TSB 18-NA-355, entitled "Shake and/or Shudder During Light Throttle Acceleration Between 25 and 80 MPH (40 and 128 KM/H) at Steady Speed." A shake and/or shudder during light throttle acceleration between 25 and 80 mph (40 and 128 km/h) steady state driving when the transmission is not actively shifting gears. A shudder feeling that may be described as driving over rumble strips or rough pavement. Important: The Drain and Fill

No.	Service Bulletin	Models	Reason for the Bulletin
		2017 GMC Yukon	Procedure Will Need to be Performed Three Times.
19.	18-NA-356 (November 20, 2018)	2015 - 2020- Chevrolet Colorado, 2015-2020 GMC Canyon	Some customers may comment on a vibration and/or noise heard during hard acceleration at speeds of 77 km/h (48 mph) to 83 km/h (52 mph). This condition may be caused when the driveline angles get extreme during axle wind up resulting in 2nd order vibration.
20.	June 22, 2020	Cadillac-ATS 2016- 2018, CT6 2016- 2018, CTS 2016- 2018, Escalade 2016-2018, Camaro 2016-2018, Corvette 2015-2018, Chevrolet Express- 2017-2018, Corvette-2015- 2018, Silverado- 2016-2018, Tahoe 2015-2018, GMC 2016-2018 Savana, 2016-2018 Sierra, and 2015- 2018 Yukon	8L45 or 8L90 transmissions with no movement after the valve body replacement.
21.	21-NA-047 (March 2021)	2019-2020- Chevrolet Colorado, GMC Canyon	Shake and/or Shudder During Light Throttle Acceleration Between 25 and 80 MPH (40 and 128 KM/H) at Steady Speed
22.	PIP 5792 (March 2, 2021)	2016 - 2019- Cadillac, ATS Models 2020-2021- Cadillac, CT4 Models 2016-2018- Cadillac, CT-6, 2016-2019- Cadillac, CTS Models Chevrolet Camaro- 2016-2021, Colorado-2017- 2021, Corvette-	Technicians may find a no movement condition after the replacement of the valve body on the 8L45 or 8L90 automatic transmission. The technician should remove the transmission valve body and inspect for the 1-2-7-8-R clutch fluid passage seal to be installed correctly.

No.	Service Bulletin	Models	Reason for the Bulletin
		2015-2019, Express 2017-2021, Silverado 2015- 2018, Silverado 1500 LD 2019, Silverado 1500 20- 21	

47. The above-mentioned list is not exhaustive and is limited to these TSBs. Apart from these, GM issued numerous other TSBs and Customer Satisfaction Program documents relating to other issues arising from the Transmission Defect to address the issue, particulars of which are in the full knowledge of the Defendants.

G. GM Has Concealed the Knowledge of the Defect and Failed to Disclose Potential Purchasers or Lessees of the Transmission Failure

48. GM was aware or ought reasonably to have been aware of the Transmission Defect through criticisms of automotive journalists, who identified the problems described above in online publications.

49. In an article on **Cadillacforums.com** describing transmission and issues in Cadillac vehicles:

“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 8/45’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.”³

H. Identifying the Irreparable Root Cause of a Transmission Defect

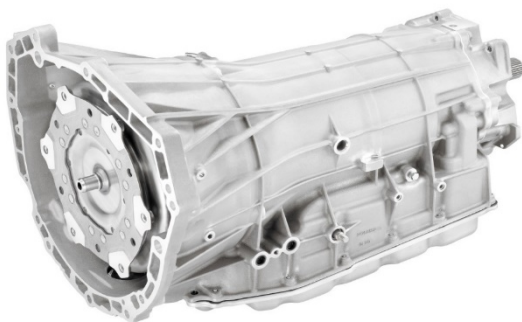
50. GM has developed a transmission that is currently deemed by GM irreparable due to persistent and unresolved issues.

51. Despite efforts to address the problems, the complexity and severity of the underlying mechanical and technical challenges.

52. The root cause of the ongoing problems associated with the Transmission Defect is described as follows:

a. Brief History of the 8L90 Transmission:

The predecessor to this failure-prone transmission was the aged 6L80 and 6L90 transmission. After a tumultuous run plagued by valve body and torque converter issues and further tightening emissions regulations, the 6 speed GM lineage became obsolete. Hence, by the model year 2014, GM had begun implementation of the more current 8L90 transmission.



³ <https://www.cadillacforums.com/threads/gm-8l45-automatic-transmission-recall-replace-re-tune-or-deny.974121/>

b. Problem #1 - The Torque Converter;

As with many transmissions, the torque converter suffers from a variety of failure points. The 8L90 transmission's torque converter, in fact, is uniquely untrustworthy.

The lockup clutch assembly affront the converter is also inadequate for literally any extracurricular application. It survives in low-performance



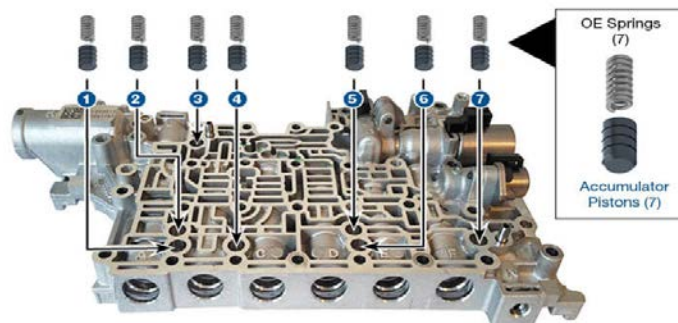
applications but is quickly challenged as the rigour of the application increases. This results in slippage, malformation of the friction disk, scoring, heat damage and more. Another failure more prone to truck and sports car applications is the “ballooning” of the converter. Ballooning is a colloquial term used to describe excess pressure inside the converter, causing it to try and expand height wise. This can damage the high-pressure oil pump or flexplate, but most frequently, the oil pump.

c. Problem #2 - The Input Shaft



A known problem, largely in high-performance and towing applications, is the factory input shaft. As with most transmissions, the factory input shaft can be quite fragile when exposed to the extracurricular burden, either by cause of power, high vehicle weight or a combination of the two. For example, a GMC Sierra 2500 that frequently tows with an 8L90 transmission will be similarly at risk for an input shaft failure to a C7 Corvette with large turbos.

d. Problem #3 - The Valve Body



8L90 Valve Body

The hydraulic valve system that makes it all happen, the 8L90 transmission valve body, is pillaged with internal cross leaks and low-quality parts galore. In this unit, the highest concentration of failure-prone components is easily the valve body assembly itself. It consists of a complex accumulation system designed to facilitate smooth shifts but rather vents unsafe amounts of oil, contributing to heat and premature failure.

Beyond that, there is a set of 7 pulse dampeners that control oil flow to

oncoming clutch packs once oil flow is activated through the energization of solenoids on the side of the valve body. The problem here is that they load against the side of the valve body castings as they stroke up and down and generate bore wear over time.

e. **Problem #4 - The C2 Clutch Assembly**

Fundamentally the overdrive clutch assembly, though also active in reverse, the C2 clutch assembly is on from 4th gear through 8th gear. As with most transmissions, the overdrive clutch system has the highest torque multiplication factor due to its long gear ratios.



Because of this, overdrive clutch systems are at the highest risk for slippage or failure in virtually any application. The 8L90 transmission uses "cost-effective" friction materials that are more about reaching the end of the powertrain warranty than offering a long-lasting ownership experience or capacitating additional power or abuse safely.

f. **Problem #5 - The Oil Pan**

As an expensive 8-speed transmission, it is exceptionally important to maintain low oil temperatures to preserve the longevity of the transmission. The original Equipment Manufacturer ("OEM") saves money from the factory by stamping the oil pan out of thin steel

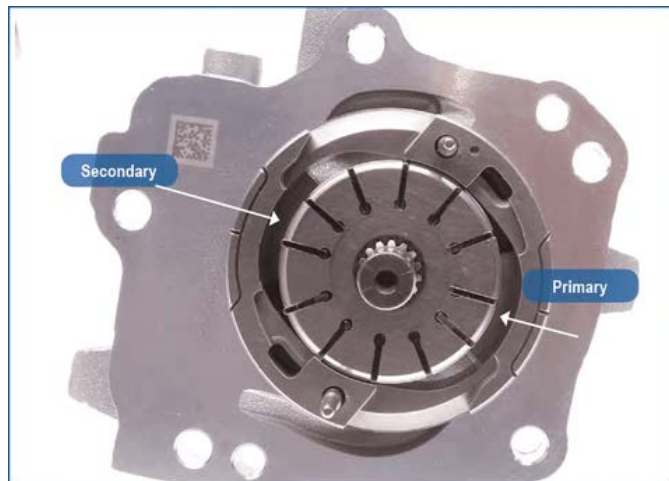


using a mould and a special tool to provide an accurate shape. This is never optimal but certainly does not endorse a healthy transmission for heavy-duty applications or long-term use.

In fact, the OEM oil pan is so lacking in volume that a variety of transmission pan manufacturers have added in excess of a gallon to the oil volume of this transmission.

g. Problem #6 - The High-Pressure Oil Pump

The 8L90 transmission uses a chain-driven oil pump system where the speed of the motor drives the central pump gear, and the high-pressure oil pump itself is in the pan area pulling oil from the pan to be distributed through the valve system. This idea is creative but loses its ability to create oil pressure over time.



As time passes, the unit will begin to accrue pressure slower and create less peak pressure over time. This contributes to a phenomenon where some customers will compromise a clutch pack, and the customer or their designated technician will replace said clutch pack, and it will immediately fail again. This happens because of hydraulic issues compromising the clutch pack rather than the clutch pack itself being inferior.

h. Problem #7 - The Pressure Solenoids

Adjoint to the 8L90 transmission valve body are 9 solenoids used to control the activation of all friction systems inside the transmission, including the torque converter lockup clutch assembly. These solenoids are cycled tens

of thousands of times throughout the lifetime of the transmission but tend to leak oil or turn on at inappropriate times before that.



These solenoids have been updated by the OEM a plurality of times to address various known issues within the transmission.

53. 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.

54. The GM official website contains the list to locate dealers. These dealers are well aware of the 8L90 transmission bulletins and issues. However, they did not apprise the Applicant and potential consumers about the Transmission Defect.

CAUSES OF ACTION

a. Breach of the Competition Act

55. At all times relevant, GM violated section 52 of the *Competition Act*, R.S.C. 1985, c. C-34, by the use of false and misleading representations or omissions of material fact in connection with the marketing, promotion, and sale of vehicles equipped with defective transmissions.

56. GM communicated the purported benefits and reliability of the Class Vehicles with the new transmission while failing to disclose that Class Vehicles were, in fact, equipped with the Transmission Defect that causes the Class Vehicles to have shuddering requiring expensive transmission repairs, with the intent that consumers, like the Applicant, would purchase a vehicle equipped with these defective 8L90 transmissions.

57. As a result of violating the Competition Act, GM caused The Applicant to purchase a vehicle equipped with 8L90 or 8L45 Transmission and caused other Class Members to purchase vehicles with 8-speed automatic defective transmissions.

b. Breach of Warranty

58. 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.”

59. 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.”

60. Because the Transmission Defect does not fall into any of the above-excluded categories, it is covered under GM’s express warranty.

61. GM agreed to provide such repairs “including towing, parts, and labour. . . at no charge” for up to 3 years or 60,000 Kilometers.

62. Additionally, GM offered a powertrain warranty that GM expressly warranted that for Gasoline and Diesel, powertrain components are covered for 5 years or 100,000 kilometres, whichever comes first, except that certain Chevrolet or GMC vehicles sold as Commercial Fleet and/or Government Fleet vehicles and vehicles factory equipped with 6.6L Duramax Turbo-Diesel engine or equipped with a 3.0L Duramax Turbo-Diesel Engine are covered for 5 years or 160,000 kilometres, whichever comes first.

63. Furthermore, under the powertrain components of warranties, GM expressly covered the cylinder block and heads and all internally lubricated parts, timing gears, timing chain/belt and cover, valve covers, oil pump assembly, oil pan, engine oil cooling

hoses and lines, seals, gaskets, manifolds, flywheel, water pump, engine mount, turbocharger and supercharger, actuators and electrical components internal to the engine. Coverage on the engine cooling system begins at the inlet to the water pump and ends with the thermostat housing and outlet that attaches to the return hose.

64. GM and its dealers have failed and refused to conform the 8L45 and 8L90 transmissions to the express warranties. GM was obligated to correct the defect, and none of the desired attempts were adequate to cure the issue of the Transmission Defect. Further, GM has not been able to remedy the Transmission Defect; any limitation on remedies included in the Warranty causes the Warranty to fail its essential and is null and void.
65. GM also had a duty to disclose the Transmission Defect because it presented and presents a safety hazard to Class Members and others.
66. GM possessed the knowledge of the defective transmission through its conduct exemplified by the Service Bulletins and other TSBs and has covered repairs of the Transmission Defect as if appropriately covered under the Warranty; GM cannot now deny that the Warranty covers the Transmission Defect.
67. GM breached the express warranty by:
- i. Selling and leasing Class Vehicles with transmissions that were defective in material and workmanship, requiring replacement within the warranty period;
 - ii. Refusing to comply with 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
 - iii. Purporting to repair the Class Vehicles and/ or performing inadequate repairs, including falsely informing Class Members that there was no issue with their Class Vehicles, performing ineffective procedures, including software updates, and replacing defective components in the 8L90 and 8L45 transmissions without genuinely repairing the Class Vehicles.

68. Class Vehicles and their transmission at the time of sale and thereafter were not fit for their ordinary and intended purpose of providing the Applicant and Class Members with reliable, durable, and safe transportation. Instead, the Class Vehicles are defective.
69. GM, in the implied warranty, purported that vehicles are equipped with reliable transmission, good merchantable condition, and quality, fit and safe for their ordinary intended use. GM breached the implied warranty as GM knew the Class Vehicles equipped with the defective 8L90 and 8L45 transmissions and did deliver unchanged from the authorized dealers to the Applicant and Class Members without alteration to the defective transmission.
70. As a result of the GM's breach of express and implied warranties, the Applicant and Class have suffered damages in an amount to be proven at trial. GM's operations caused damage to the Class Members, who are entitled to recover actual damages, consequential damages, specific performance, costs, and other relied upon as deemed appropriate.

c. Negligence

71. At all material times, GM owed a duty of care to The Applicant and to The Class and breached the standard of care expected in the circumstances.
72. GM had duty to design, manufacture, and market vehicles that were reasonably safe for their intended uses, reasonably reliable, free of material defects, and to provide true and accurate information to the public to prevent undue risks arising from the foreseeable use of their products.
73. GM breached their duty through:

- a) Failure to properly and adequately design, develop, and test the Class Vehicles to ensure that they were safe and free from defects prior to selling or distributing them;
- b) Failure to discover, through reasonably expected adequate testing, that the Class Vehicles were equipped with a defective Transmission that makes these vehicles prone to premature transmission failure;
- c) Failure to properly and adequately design or manufacture components and component systems for Class Vehicles that would safeguard against sudden, premature transmission failure or chronic performance problems that create safety hazards for vehicle occupants and other road users;
- d) Failure to properly and adequately manufacture, fabricate, and assemble the Class Vehicles and the systems, components, and parts thereof, as particularized herein;
- e) Failure to properly and adequately warn of the dangers attendant upon use of the Class Vehicles, specifically including, but not limited to, the extreme risk to the driver and occupants of a sudden and unexpected failure of the transmission that could cause unexpected acceleration and deceleration performance, or loss of control of the vehicle, and resultant risk of severe bodily injury or death;
- f) Failure to adequately monitor the safety and post-market performance of the Class Vehicles and their component parts and to warn the Applicant and Class Members of the dangers associated with their use; and,
- g) Failure to promptly recall the Class Vehicles from the Canadian market upon discovery of their propensity to fail to reasonably operate under conditions of ordinary usage.

74. As designers, manufacturers, and marketers of the Class Vehicles in Canada, GM was in a position of legal proximity to the Class Members.

75. It was reasonably foreseeable that a failure by GM to design and manufacture a reasonably safe and reliable Transmission for the Class Vehicles, and to monitor the performance of such systems in the Class Vehicles following market introduction, would cause harm to the Applicant and Class Members.

76. Prior to and during the design, manufacturing, marketing, and sale of the Class Vehicles and thereafter, GM knew, or in the exercise of reasonable care should have known, that other feasible and safer design alternatives were available to them which would have significantly reduced the risk of sudden, premature transmission failure and the lack of efficacy or reliability of the transmission under standard operating conditions. GM negligently failed to utilize such other and feasible safer designs in their design of the transmission in the Class Vehicles.

77. As a result of the foregoing, the Applicant and the Class have suffered financial losses, economic and other damages in an amount to be proven at trial, and some members of the Class have suffered personal injury.

d. Unjust Enrichment

78. GM's failure to disclose the known defects and material misrepresentations regarding known defects and knowing it could not be fixed, the Defendants have profited through the sale and lease of said vehicles through the authorized dealers.

79. Additionally, as a direct and proximate result of GM's failure to disclose known defects and material misrepresentations regarding known defects in the Class Vehicles, the Applicant and Class Members have vehicles that require high-cost repairs that can and therefore have conferred an unjust substantial benefit upon the defendant.

80. GM wrongfully introduced and maintained the marketing and distribution of the Class Vehicles in the Canadian market. As a result, The Applicant and Class Members have suffered deprivation losses and damages for the atrocious conduct of GM.

81. GM 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 GM's profits when it would be inequitable for GM to benefit from its sale of the Class Vehicles containing defective and unfixable transmissions.

82. GM has been unjustly enriched at the expense of The Applicant and The Class.⁴

e. Violations of Consumer Protection Act

83. Additionally, or alternatively, the marketing of the Class Vehicles without full disclosure of the known defects and unreliability of the Transmissions amounted to an 'Unfair Trade Practice' under applicable consumer protection legislation.

84. In the previous paragraph "**Unfair Trade Practices**" means "deceptive acts or practices", "false, misleading or deceptive representations", "prohibited practices", "unconscionable acts or practices", "unfair business practices", "unfair consumer practices", "unfair practices", or "unfair trade practices" under *the Consumer Protection Act*, RSQ c P-40.1, including s 219;

85. For the purposes of the aforementioned *Consumer Protection Act*, the Applicant and the Class were "consumers" and the Defendants were "suppliers" or "vendors", as applicable, of consumer goods.

86. At all times relevant, GM manufactured, marketed, and distributed GM vehicles equipped with the defective transmission in an unlawful, unfair, and deceptive manner that was likely to deceive the Applicant and Members of the Class.

87. In fact, the *Civil Code of Quebec* and the *Consumer Protection Act*, all provide that the Defendant's obligation to provide Plaintiff and class members with a car in good working condition and exempt of defect;

88. Contrary to *Consumer Protection Act*⁵ and the *Civil Code of Quebec*, the Defendants breached statutory warranties by selling consumer products that do not correspond with their description, are not reasonably fit for their intended purpose, and are not

⁴ Articles 1493 and 1494 CCQ.

⁵ Articles 37, 38, 53, 54 and 272 *Consumer Protection Act* and art. 1726 to 1730 of *Quebec Civil Code*.

free from defects rendering them of unacceptable quality, as the Class Vehicles are affected by the Transmission Defect described herein.

89. Because of their reliance on GM's omissions owners and lessees of the Class Vehicles, including the Applicant and Class Members, suffered an ascertainable loss of money, property, and value of their Class Vehicles.

90. Additionally, because of the Transmission Defect, the Applicant and 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 and given the dangers created by the Transmission Defect Class Members are justified in remedying the defect and demanding from GM compensation for their remediation.

91. In failing to disclose the defective nature of the transmissions the Defendant knowingly and intentionally concealed material facts and breached its duty not to do so as a result of economic damages in an amount to be proven at trial.

f. Breach of Implied Covenant of Good Faith and Fair Dealing

92. The Applicant and the Class Members entered into agreements to purchase vehicles equipped with 8L45 or 8L90 transmissions or otherwise were in contractual privity with GM as a result of the express warranties described herein.

93. The contracts and warranties were subject to the implied covenant that GM would conduct business with The Applicant and Class Members in good faith and would deal fairly with them.

94. GM breached those implied covenants by selling vehicles to The Applicant and Class Members with defective transmissions when it knew or should have known, that the contracts and warranties were unconscionable and by abusing its discretion in the performance of the contract or by intentionally subjecting the Applicant and Class

Members to a risk beyond that which they would have contemplated at the time of purchase as well as by failing to provide parts and service of the Class Vehicles it sold.

95. GM also breached the implied covenants of good faith by not placing terms in the contracts and warranties that conspicuously stated to the Applicant and Class Members that 8L45 and 8L90 transmissions were defective. The Applicant and Class Members have been damaged in an amount to be determined at trial.

g. Punitive Damages

96. GM prioritized corporate profits over the quality of its GM Vehicles and the safety of the Applicant and Class.

97. GM is one of the world's preeminent and most respected corporate entities. From such an exalted position, with a 105 year history of expected excellence, it is particularly important for the Canadian courts to impress upon GM that this kind of conduct will not be tolerated.

98. Under the Canadian system of governance, we have a higher expectation of the judicial arm of governance to punish, and this is a case where punitive or exemplary damages ought to be ordered.

99. To avoid injustice, punitive and exemplary damages ought to be awarded to the Class to discourage such high-handed corporate wrongdoing in the future, and damages should be made on a lump sum basis to be distributed among members of the Class in whatever manner the common issues trial Judge deems appropriate.

100. Furthermore, GM knew about the problem and in fact and they failed to take proper corrective action for Quebec consumers, which renders the Defendants liable to punitive damages in addition to compensatory damages;

FACTS GIVING RISE TO AN INDIVIDUAL ACTION BY THE APPLICANT

101. The Applicant is a resident of Rimouski, Quebec;
102. In March 2022, the Applicant purchased a brand-new 2022 Chevrolet Silverado 1500 featuring a 2.7 L engine and an 8L90 Hydra-Matic 8 speed transmission from Boulevard Cadillac Chevrolet Buick GMC Inc., at a cost of CAD \$53,000, the whole as it appears from a copy of the purchase contract of the 2022 Chevrolet Silverado communicated herein as **EXHIBIT P-5**;
103. Very shortly after The Applicant's purchase, his Silverado began exhibiting issues such as jerking, harsh shifting, shuttering, and surging. Specifically, when the Applicant starts his vehicle in the morning and when shifting gears.
104. When the Applicant attempts to accelerate, his Silverado often hesitates between gears and experiences vibrations when driving. The Applicant is unsafe on the road. During the moments when the vehicle's transmission hesitates.
105. Around September 2022, The Applicant, when stopped at a red light, experienced a jammed gear, to the extent that his car did not start moving, posing a potential danger to himself and other drivers, especially in heavy traffic.
106. In a one year period and at approximately only 18 500KM, the Applicant brought his Silverado into the dealership 5 times since the purchase, where he purchased his vehicle. The dealership personnel noted his issues of harsh shifts, transmission vibration, and weird shifting problems but did not acknowledge the problem stating the issues as normal, although this was caused by the improper Transmission Defect.
107. The Applicant purchased the vehicle for its convenience, not expecting any issues to arise. However, he is now unable to afford to dispose of the vehicle and purchase a new reliable vehicle due to the irreparable issues with the 8-speed transmission. Furthermore, many Members of the Class have had to spend their own money to address the Transmission Defect problems, which have been deemed irreparable.

108. GM did not disclose the Transmission Defect to the Applicant prior to the purchase of her vehicle. Had GM disclosed the Transmission Defect in its advertising materials, on its websites, or to its dealers, the Applicant would have learned of that material information and would not have purchased her Silverado or paid the price he paid for it.

109. As a consequence of the foregoing, the Applicant is justified in claiming compensatory damages;

110. The Applicant is also entitled to claim punitive damages as a result of the actions and omissions of the Defendants;

FACTS GIVING RISE TO AN INDIVIDUAL ACTION BY EACH OF THE MEMBERS OF THE GROUP

111. Members of the Group consist of All the persons in Quebec who, prior to the date of authorization of this action as a class action, bought or leased vehicles (new or used) designed, manufactured, marketed, distributed, sold, warranted, or serviced by GM and equipped with GM's Hydra-Matic 8L90 transmission or Hydra-Matic 8L45 transmission;

112. The Applicant and Each Member of the Group is justified in claiming at least one or more of the following:

- a. General and Special Damages;
- b. Exemplary and Punitive Damages;
- c. Compensatory and actual damages in an amount according to prove at trial
- d. Revocation of acceptance and refund of the purchase price of each GM vehicle equipped with the Transmission defect, but not limited to taxes, licence and registration fees, or alternative damages for the diminished value of each of the Class Vehicles;

- e. Disgorgement of the purchase price of each GM vehicle equipped with the Transmission Defect, including but not limited to sales taxes, license and registration fees, or in the alternative damages for the diminished value of each of these vehicles;
- f. Damage of the loss of use, annoyance, and inconvenience;
- g. Damages for personal injury; and,
- h. Such further and other relief as this Honourable Court may deem just.

113. All of these damages to the Group Members are a direct and proximate result of the Defendants' conduct;

The members of the class claims raise identical, similar or related issues of law or fact

114. The recourses of the Group Members raise identical, similar or related questions of fact or law, namely:

- a) Is the GM's Hydra-Matic 8L90 transmission or Hydra-Matic 8L45 transmission of Class Vehicles defective?
- b) Is there a safety defect in the Class Vehicles?
- c) Are the Class Vehicles fit for the purpose they were intended?
- d) Did the Defendants know or should have known about these defects affecting the Class Vehicles?
- e) Did Respondents fail, refuse or neglect to adequately disclose the defect to consumers before they purchased the Class Vehicles, or thereafter?
- f) Have the Group Members suffered damages as a result of the defect in question?
- g) Are Respondents liable to pay compensatory damages to Group Members stemming from the defect?

- h) What are the categories of damages for which Respondents are responsible to pay to Group Members, and in what amount?
- i) Are Respondents liable to pay any other compensatory, moral, punitive and/or exemplary damages to Group Members, and if so in what amount?

115. The interests of justice favour that this motion be granted in accordance with its conclusions;

The composition of the class makes it difficult or impracticable to apply the rules for mandates (Article 91 or 143 C.C.P) to take part in judicial proceedings on behalf of others or for consolidation of proceedings

116. The number of persons included in the Group is estimated to be in the thousands;

117. The names and addresses of all persons included in the Group are not known to the Applicant;

118. In addition, given the costs and risks inherent in an action before the Courts, many people will hesitate to institute an individual action against the Defendants. Even if the Group Members themselves could afford such individual litigation, the Court system could not as it would be overloaded. Furthermore, individual litigation of the factual, scientific, and legal issues raised by the conduct of Defendants would increase delay and expense to all parties and to the Court system;

119. These facts demonstrate that it would be impractical, if not impossible, to contact each and every Member of the Group to obtain mandates and to join them in one action;

120. In these circumstances, a class action is the only appropriate procedure for all of the Members of the Group to effectively pursue their respective rights and have access to justice;

The representative plaintiff is in a position to properly represent the class members

121. The Applicant, who is requesting to obtain the status of representative, will fairly and adequately protect and represent the interest of the Members of the Class, since Applicant:

- a) owns a class model car which is affected by the defect alleged above, and is thus a Member of the Class;
- b) understands the nature of the action and has the capacity and interest to fairly and adequately protect and represent the interests of the Members of the Class;
- c) is available to dedicate the time necessary for the present action before the Courts of Quebec and to collaborate with Class attorneys in this regard;
- d) is ready and available to manage and direct the present action in the interest of the Class Members that the Applicant wishes to represent, and is determined to lead the present file until a final resolution of the matter, the whole for the benefit of the Class;
- e) does not have interests that are antagonistic to those of other members of the Class;
- f) has given the mandate to the undersigned attorneys to obtain all relevant information to the present action and intend to keep informed of all developments;
- g) is, with the assistance of the undersigned attorneys, ready and available to dedicate the time necessary for this action and to collaborate with other Members of the Class and to keep them informed;

122. The Applicant suggests that this class action be exercised before the Superior Court in the District of Montreal for the following reasons:

- a) Many Class Members are domiciled in the District of Montreal;
- b) The Canadian entities of the Defendants have a business establishment in the District of Montreal;
- c) Many of the Subject Vehicles were purchased or leased by Class Members in the District of the Montreal;
- e) Damages were suffered by the Applicant and the class members in Quebec;

NATURE OF THE ACTION AND CONCLUSIONS SOUGHT

123. The action that Petitioner wishes to institute for the benefit of the members of the Class is an action in damages for product liability;

124. The conclusions that the Applicant wishes to introduce by way of a motion to institute proceedings are:

GRANT Applicant's action against Defendants;

CONDEMN Defendants to pay damages to the Group Members equivalent to the amount of loss of value of the Class Vehicle;

CONDEMN Defendants to reimburse to the Group Members any out of pocket expenses in relation to the defect or repair thereof;

CONDEMN Defendants to pay compensatory damages to the Group Members for the loss of use and enjoyment of the Class Vehicles, trouble, inconvenience, loss of time, anxiety and fear, and other moral damages;

CONDEMN Defendants to pay punitive and/or exemplary damages to the Group Members, to be determined by the Court;

GRANT the class action of Petitioner on behalf of all the Members of the Group;

ORDER the treatment of individual claims of each Member of the Group in accordance with articles 599 to 601 C.C.P.;

RENDER any other order that this Honourable Court shall determine and that is in the interest of the Members of the Group;

THE WHOLE with interest and additional indemnity provided for in the Civil Code of Quebec and with full costs and expenses including expert's fees and publication fees to advise members;

125. The present Application is well-founded in fact and in law.

FOR THESE REASONS, MAY IT PLEASE THE COURT:

GRANT the present motion;

AUTHORIZE the bringing of a class action in the form of a motion to institute proceedings in damages;

ASCRIBE the Applicant the status of representative of the persons included in the Group herein described as:

All the persons in Quebec (including but not limited to individuals, corporations, and estates) who, prior to the date of authorization of this action as a class action, bought or leased vehicles (new or used) designed, manufactured, marketed, distributed, sold, warranted, or serviced by GM and equipped with GM's Hydra-Matic 8L90 transmission or Hydra-Matic 8L45 transmission (collectively, "Transmissions").

(hereinafter collectively referred to as "Class Member(s)", "Group Member(s)", the "Group", the "Class", or the "Member(s)").

"Class Vehicles" include inter alia the following makes and models of vehicles but not limited to:

- a. 2016-2023 Chevrolet Camaro
- b. 2015-2023 Chevrolet Colorado
- c. 2015-2019 Chevrolet Corvette
- d. 2017-2023 Chevrolet Express (2.8L diesel engine/4.3 gas engine only)
- e. 2015-2023 Chevrolet Silverado
- f. 2016-2023 Cadillac ATS-V, CT6, and CTS-V
- g. 2015-2017 Cadillac Escalade
- h. 2015-2019 GMC Canyon
- i. 2017-2023 GMC Savana (2.8L diesel engine/4.3 gas engine only)
- j. 2015-2019 GMC Sierra
- k. 2015-2017 GMC Yukon Denali XL

IDENTIFY the principle questions of fact and law to be treated collectively as the following:

- a) Is the GM's Hydra-Matic 8L90 transmission or Hydra-Matic 8L45 transmission of Class Vehicles defective?
- b) Is there a safety defect in the Class Vehicles?
- c) Are the Class Vehicles fit for the purpose they were intended?
- d) Did the Defendants know or should have known about these defects affecting the Class Vehicles?
- e) Did Respondents fail, refuse or neglect to adequately disclose the defect to consumers before they purchased the Class Vehicles, or thereafter?
- f) Have the Group Members suffered damages as a result of the defect in question?
- g) Are Respondents liable to pay compensatory damages to Group Members stemming from the defect?
- h) What are the categories of damages for which Respondents are responsible to pay to Group Members, and in what amount?
- i) Are Respondents liable to pay any other compensatory, moral, punitive and/or exemplary damages to Group Members, and if so in what amount?

IDENTIFY the conclusions sought by the class action to be instituted as being the following:

GRANT Applicant's action against Defendants;

CONDEMN Defendants to pay damages to the Group Members equivalent to the amount of loss of value of the Class Vehicle;

CONDEMN Defendants to reimburse to the Group Members any out of pocket expenses in relation to the defect or repair thereof;

CONDEMN Defendants to pay compensatory damages to the Group Members for the loss of use and enjoyment of the Class Vehicles, trouble, inconvenience, loss of time, anxiety and fear, and other moral damages;

CONDEMN Defendants to pay punitive and/or exemplary damages to the Group Members, to be determined by the Court;

GRANT the class action of Petitioner on behalf of all the Members of the Group;

ORDER the treatment of individual claims of each Member of the Group in accordance with articles 599 to 601 C.C.P.;

RENDER any other order that this Honourable Court shall determine and that is in the interest of the Members of the Group;

THE WHOLE with interest and additional indemnity provided for in the Civil Code of Quebec and with full costs and expenses including expert's fees and publication fees to advise members;

DECLARE that all Members of the Group that have not requested their exclusion from the Group in the prescribed delay to be bound by any judgment to be rendered on the class action to be instituted;

FIX the delay of exclusion at 30 days from the date of the publication of the notice to the Members;

ORDER the publication of a notice to the Members of the Group in accordance

with Article 579 C.C.P.;

THE WHOLE with costs to follow.

ORDER the publication of a notice to the Members of the Group in accordance with Article 579 C.C.P.

RENDER any other order that this Honourable court shall determine and that is in the interest of the members of the class;

THE WHOLE with costs to follow.

MONTREAL, June 16, 2023

Merchant Law LLP

MERCHANT LAW GROUP LLP

Attorneys for the Applicant

SUMMONS

(Articles 145 and following C.C.P.)

Filing of a Judicial Application

Take notice that the Plaintiff has filed this Application to Authorize the Bringing of a Class Action and to Ascribe the Status of Representative in the office of the Superior Court of Quebec in the judicial district of Montreal.

Defendants' Answer

You must answer the application in writing, personally or through a lawyer, at the courthouse of Montreal situated at 1 Rue Notre-Dame Street Est, Montréal, Québec, H2Y 1B6, within 15 days of service of the Application or, if you have no domicile, residence or establishment in Québec, within 30 days. The answer must be notified to the Applicant's lawyer or, if the Applicant is not represented, to the Applicant.

Failure to Answer

If you fail to answer within the time limit of 15 or 30 days, as applicable, a default judgement may be rendered against you without further notice and you may, according to the circumstances, be required to pay the legal costs.

Content of Answer

In your answer, you must state your intention to:

- negotiate a settlement;
- propose mediation to resolve the dispute;
- defend the application and, in the cases required by the Code, cooperate with the Applicant in preparing the case protocol that is to govern the conduct of the proceeding. The protocol must be filed with the court office in the district specified above within 45 days after service of the summons or, in family matters or if you have no domicile, residence or establishment in Québec, within 3 months after service;
- propose a settlement conference.

The answer to the summons must include your contact information and, if you are represented by a lawyer, the lawyer's name and contact information.

Change of judicial district

You may ask the court to refer the originating Application to the district of your domicile or residence, or of your elected domicile or the district designated by an agreement with the Applicant.

If the application pertains to an employment contract, consumer contract or insurance contract, or to the exercise of a hypothecary right on an immovable serving as your main residence, and if you are the employee, consumer, insured person, beneficiary of the insurance contract or hypothecary debtor, you may ask for a referral to the district of your domicile or residence or the district where the immovable is situated or the loss occurred. The request must be filed with the special clerk of the district of territorial jurisdiction after it has been notified to the other parties and to the office of the court already seized of the originating application.

Transfer of Application to Small Claims Division

If you qualify to act as a plaintiff under the rules governing the recovery of small claims, you may also contact the clerk of the court to request that the Application be processed according to those rules. If you make this request, the plaintiff's legal costs will not exceed those prescribed for the recovery of small claims.

Calling to a case management conference

Within 20 days after the case protocol mentioned above is filed, the court may call you to a case management conference to ensure the orderly progress of the proceeding. Failing this, the protocol is presumed to be accepted.

Exhibits supporting the application

In support of the Application to Authorize the Bringing of a Class Action and to Ascribe the Status of Representative, the Applicant intends to use the following exhibits:

Exhibit P-1 : a copy of an extract from the Corporations Registry website ~~and~~ from the Registraire des Entreprises du Quebec of GENERAL MOTORS COMPANY OF CANADA;

Exhibit P-2 : a copy of an extract of the website of the State of Delaware Division of Corporations, (communicated

Exhibit P-3 : a copy of Technical Service Bulletins of September 2014, November 2016, November 2017, February 2019, August 2019, July 2020 and April 2022;

Exhibit P-4: a copy of extracts of peoples' complaints on Class vehicles from the following websites:

- Cadillacforums.com
- CarComplaints.com
- Gmauthority.com
- Edmunds.com

Exhibit P-5 : a copy of the purchase contract of the 2022 Chevrolet Silverado of the Plaintiff.

These Exhibits are available upon request.

Notice of presentation of an application

If the application is an application in the course of a proceeding or an application under Book III, V, except an application in family matters mentioned in article 409, or VI of the Code, the establishment of a case protocol is not required; however, the application must be accompanied by a notice stating the date and time it is to be presented.

Montreal, June 16, 2023

Merchant Law LLP

Merchant Law Group LLP

Phone : 514-842-7777

Fax : 514-842-6687

Notifications : cnasraoui@merchantlaw.com

Attorneys for the Applicant

NOTICE OF PRESENTATION
(Articles 146 and 574 al.2 C.P.C.)

TO: **GENERAL MOTORS COMPANY,**
300 Renaissance Center Detroit,
Michigan 48243
United States

-and-

GENERAL MOTORS COMPANY OF CANADA
500 rue Wentworth W, Oshawa
Ontario L1J0C5
Canada
and
5000, Route Trans-Canadienne, Pointe-Claire QC H9R4R2, Canada
101 McNabb St, Markham,
ONTARIO L3R 4H8
Canada

TAKE NOTICE that the present *Application For Authorization to Institute a Class Action and To Appoint a Representative Plaintiff* will be presented before one of the Honourable Judges of the Superior Court of Québec, at the Montreal courthouse, located at 1, rue Notre-Dame Est, in the City and District of Montréal, on the date set by the coordinator of the class actions chamber.

PLEASE ACT ACCORDINGLY.
Montreal, June 16, 2023

Merchant Law LLP

Merchant Law Group LLP
Attorneys for the Applicant

NO : 500-06-

SUPERIOR COURT OF QUÉBEC
(CLASS ACTION)
DISTRICT OF MONTRÉAL

XXXX

Applicant

- VS -

GENERAL MOTORS COMPANY

-and-

GENERAL MOTORS COMPANY OF CANADA

Defendants

**MOTION FOR AUTHORIZATION TO INSTITUTE A
CLASS ACTION AND TO APPOINT A
REPRESENTATIVE PLAINTIFF**

ORIGINAL

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