

RICHARD BLUMENTHAL UNITED STATES SENATOR

March 24, 2014

The Honorable Eric J. Holder, Jr. United States Attorney General Department of Justice 950 Pennsylvania Avenue NW Washington, DC 20530-0001

Dear Attorney General Holder,

I write to request your immediate intervention and assistance on behalf of victims of severe damage – financial harm, physical injury, and death – resulting from serious ignition switch defects in General Motors ("GM") cars. Without your active involvement, they may have no meaningful remedy. Given the crucial role the United States government played in creation of the current General Motors Corporation, I believe the federal government has a moral, if not legal, obligation to take all necessary steps to protect innocent consumers.

Like many Americans I was appalled and astonished by GM's recent admission that it knew of these disabling defects and their disastrous effects well before the 2009 reorganization. Their deliberate concealment caused continuing death and damage, and it constituted a fraud on the bankruptcy court that approved its reorganization. It also criminally deceived the United States government and the public.

As a consequence of this fraudulent and reprehensible concealment, the United States Bankruptcy Court unknowingly authorized a purchase of GM's assets by the "new GM," which seemingly shielded this new GM from legal responsibility for these product defects or other illegality occurring prior to 2009. This shield from legal responsibility was granted – with the federal government's support – despite vehement opposition from consumer advocates, and despite objections I raised as Attorney General of Connecticut. Indeed, I led a group of eight state attorneys general who warned that this blanket shield from all liability would prove unfair and unwise.

Tragically, these warnings have proved true – and consumer victims may now be barred from any just remedy. They have filed various state court actions, which GM has removed to federal court and asked to be transferred to the United States Bankruptcy Court, knowing that the GM reorganization there cannot be reopened under technical procedural rules and recourse will likely be blocked.

In seeking your assistance, I am greatly encouraged by your decision to initiate a federal criminal investigation into the flagrant illegality of GM's concealment. The recent Toyota settlement further reflects your resolve in protecting consumers.

A number of steps by you and the United States Department of Justice clearly would advance the public interest, the rule of law, and rights of victims of GM's wrongdoing.

First, I urge that DOJ require that GM establish a fund to fully compensate consumers who suffered injury, death, or damage as a result of these lethally defective vehicles. This civil remedy could be done as an interim step, even before completing your criminal investigation and prosecution.

Second, I recommend that you intervene in pending civil actions to oppose any action by GM to deny responsibility for consumer damages on grounds that those damages may have resulted from deceptive and fraudulent concealment and other misconduct by GM.

Third, either through DOJ or an appropriate federal consumer protection agency, ensure that consumers are adequately aware of the potential dangers of operating these vehicles prior to repair of the defective ignitions.

I know you share my strong feeling that innocent victims of these defective cars — whose life-changing injuries and deaths resulted from GM's pernicious and purposeful misconduct — should be fairly compensated, and that justice should be done through appropriate criminal enforcement. As always, I appreciate your thoughtful consideration.

Sincerely,

Richard Blumenthal United States Senator

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