

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION**

COAST BUICK GMC CADILLAC, INC. d/b/a
HOLLOWAY BUICK GMC, a New Hampshire
corporation, CROWN GLOBAL, LLC, a Florida
Corporation, SNIDER MOTORS, INC., D/B/A
ELK GROVE TOYOTA, a California corporation,
MAURO MOTORS, INC., a New Jersey
corporation, ONE WORLD ARMADA OF
BELLEVUE, INC., a Washington corporation,

Plaintiffs,

v.

MAHINDRA & MAHINDRA, LTD., a company
incorporated and registered under the Indian
Companies Act of 1913, and MAHINDRA USA,
INC., a company incorporated and registered under
the Indian Companies Act of 1913,

Defendants.

CIVIL ACTION FILE NO.

COMPLAINT AND JURY TRIAL DEMAND

Plaintiffs, Coast Buick GMC Cadillac, Inc. d/b/a Holloway Buick GMC, a
New Hampshire corporation, Crown Global, LLC, a Florida corporation, Snider
Motors, Inc., d/b/a Elk Grove Toyota, a California corporation, Mauro Motors,
Inc., a New Jersey corporation, and One World Armada of Bellevue, Inc., a
Washington corporation (collectively “Plaintiffs”), hereby file their Complaint

against Defendants Mahindra & Mahindra Ltd. (“Mahindra”), and Mahindra USA, Inc. (“Mahindra USA”) (collectively, the “Mahindra Defendants”), and state:

INTRODUCTION

Since the beginning of this year, more than 2,586,239 imported vehicles have been sold in the United States. Of these imports, more than 870,085 were categorized as “light trucks.” Imported vehicles have now taken approximately 37% of the U.S. automobile market share, with imported light trucks constituting approximately 19% of the truck market. These numbers continue to increase as the U.S. rebounds to regain its position as the world’s largest auto market.

Given the large and increasing market share for foreign automobiles in the U.S., it comes as no surprise that Mahindra, India’s largest manufacturer of SUVs and light trucks, “loves America.” At a “Dealer Show” held in Atlanta, Georgia on April 19, 2007, Arun Jaura, a senior Mahindra executive, proclaimed and repeatedly exclaimed, “I love America!”¹ Jaura’s words were recorded that day and subsequently used to pitch and lull dealers across the U.S. into thinking that Mahindra truly intended to forge a partnership with U.S. dealers to sell a new line of Indian-made light trucks and SUVs in the U.S. Jaura’s words were disseminated across this country by means of Mahindra’s press releases, sales

¹ See video recording of Mahindra’s April 19, 2007 “Dealer Event” in Atlanta, Georgia at <http://youtu.be/-Lusu5-AnYA>.

pitches, advertisements, and news articles. Jaura's words were repeated in face to face conversations with some 347 dealers that shook hands with Jaura and his Mahindra cronies – believing that Mahindra's words were earnest and meant something, believing that a handshake meant something, believing that their individual "investments" were as secure as Mahindra's representatives advertised them to be.

Now, approximately five years later, after having made significant financial investments, dealers across the U.S. are left with idle and vacant "Mahindra" dealerships and empty showrooms, more than \$100 Million of funds expended, and a bag of false promises.² On the other hand, Anand Mahindra and his cronies have pocketed more than \$9.5 million, more than a \$100 million worth of dealer trade secrets to utilize for their future entrance into the U.S. market, and a strong market foundation gained at the expense of the dealers' "free" promotion of Mahindra's brand name around the U.S.

² The Mahindra Defendants' actions have caused many individuals across the U.S. to lose their jobs in the automotive industry. Their actions have also adversely impacted trade relations between the U.S. and India. *See* Multiple Letters from members of the U.S. Senate and House of Representatives to The Honorable Meera Shankar, Ambassador of India to the U.S., discussing the impact of the Mahindra Defendants' actions on the U.S. automotive industry, attached as Exhibit "A."

PARTIES, JURISDICTION, AND VENUE

1. The following Dealer Plaintiffs (the “Dealers”) are residents of the United States and are otherwise *sui juris*. The Dealers are part of a group of 347 dealers which, in reliance upon Mahindra’s false representations funded Mahindra’s proposed entrance into the U.S. through payment to Mahindra of an initial fee, marketed on Mahindra’s behalf, and built for Mahindra its various “showcases” around the country. Collectively, the Dealers have provided Mahindra with over \$9.5 million in cash, and over \$100 million in trade secrets and costs associated with the marketing and showcasing of Mahindra’s product line in anticipation of its arrival in the U.S. market.

- a. Coast Buick GMC Cadillac, Inc. d/b/a Holloway Buick GMC (“Holloway Buick”) is a corporation organized and existing under the laws of New Hampshire, with its principal place of business at 500 US Highway 1 Bypass, Portsmouth, New Hampshire, 03801. Holloway Buick has been in the business of selling new and used vehicles for over 42 years. Holloway Buick paid \$125,000.00 towards the fee required to sell Mahindra vehicles. It purchased a new dealership for \$2.1 Million, and spent more than \$450,000.00 renovating that

dealership to conform to Mahindra's standards, and kept this dealership open and running in anticipation of receiving Mahindra vehicles for sale. In total, Holloway Buick lost more than \$3.4 Million.

- b. Crown Global, LLC ("Crown"), is a corporation organized and existing under the laws of Florida, with its principal place of business at 6001 34th Street North, St. Petersburg, Florida 33714. Crown invested more than \$3,047,200.00 for the purpose of selling Mahindra vehicles.
- c. Elk Grove Toyota ("Elk Grove") is a corporation organized and existing under the laws of California, with its principal place of business at 9460 West Stockton Blvd., Elk Grove, California, 95757. Elk Grove paid \$150,000.00 towards the fee required to sell Mahindra vehicles.
- d. Mauro Motors, Inc. ("Mauro"), is a corporation organized and existing under the laws of New Jersey, with its principal place of business at 611 Amboy Ave., Woodbridge, New Jersey, 07095. Mauro has been in the business of selling new and used vehicles for over 15 years. Mauro paid \$195,000.00 towards

the fee required to sell Mahindra vehicles. It spent more than \$1.8 Million renovating its dealership to conform to Mahindra's standards, and kept this dealership open and running in anticipation of receiving Mahindra vehicles for resale. In total, Mauro lost more than \$2 Million.

- e. One World Armada of Bellevue, Inc. ("One World"), is a corporation organized and existing under the laws of Washington, with its principal place of business located in Renton, Washington. One World paid \$125,000.00 towards the fee required to sell Mahindra vehicles. It spent more than \$510,509.00 to lease and renovate its dealership to conform to Mahindra's standards. In total, One World lost more than \$650,000.00.

2. Defendant Mahindra is a company registered and incorporated under the Indian Companies Act of 1913, with its principal place of business in Mumbai, India. Mahindra is a division of the Mahindra Group of Companies,³ an

³ The Mahindra Group of Companies was established in 1945 as a steel trading company. In 1947, Mahindra entered the automotive manufacturing market. Today, Mahindra is a \$14.4 billion corporation employing more than 144,000 people around the world. See Mahindra's Website, "How We Got Here",

established Indian business conglomerate in the fields of sports utility vehicles, information technology, tractors, and vacation home ownership.

3. Defendant Mahindra USA is the U.S. tractor division of the Mahindra Group of Companies. Mahindra USA is a company registered to do business in Texas, with its principal place of business at 9020 Jack Rabbit Rd., Houston, Texas. Pawan Goenka, Pravin Shah, and Sunjay Gupta are all Directors of Mahindra USA.

4. This Court has subject matter jurisdiction over this dispute pursuant to 28 U.S.C. § 1332, because the matter in controversy exceeds \$75,000.00 in value, and there is complete diversity of citizenship between Plaintiffs and Defendants.

5. Pursuant to 28 U.S.C. § 1391, venue is proper in the Northern District of Georgia since a substantial part of the events or omissions giving rise to the claims occurred within this District.

GENERAL ALLEGATIONS

Mahindra Sets Its Sights On The U.S. Market

6. When Anand Mahindra (“Anand”) became Deputy Managing Director of the Mahindra Group of Companies in 1991, the group was in financial

at <http://www.mahindra.com/Who-We-Are/How-We-Got-Here>, last accessed May 10, 2012.

distress. Anand immediately took aggressive steps to turn the company around. He slashed employee bonuses, authorized massive lay-offs, and pursued an aggressive restructuring plan. Anand soon expanded the company's operations beyond the domestic Indian market to Australia, South Korea, and the rest of Asia. By 2003, Anand's expansion plans began to pay off, turning losses into profits. Having grown the company's reach well beyond its home turf, Anand set his sights on the premier market for automotive sales, the U.S.

7. Although it had already established three tractor plants in the U.S., Mahindra had yet to break into the enormous American market for light trucks and SUVs. In 2003, Mahindra was determined to penetrate this highly lucrative market. Ever careful, Mahindra did not want to enter what was uncharted territory by independently importing its vehicles and using its own field offices for distribution. Mahindra wanted an insider's perspective of the U.S. automobile industry, it wanted a ready-made network of dealers, and it wanted someone else to pay for it. Enter Global Vehicles⁴ and the Dealers.

⁴ Global Vehicles is incorporated in Las Vegas, Nevada, with its principal place of business in Alpharetta, Georgia. Global Vehicles was known as Cross Lander USA, Inc., until February 14, 2006.

Mahindra Targets Global Vehicles And The Dealers

8. In December 2003, Global Vehicles received a telephone call from Pravin Shah (“Shah”), Mahindra’s Chief Executive of International Operations, Automotive and Farm Equipment Sectors. Shah stated that Mahindra wanted to use Global Vehicles to obtain fees, along with signed sales and service agreements, from dealers around the U.S. Shah further stated that the fees collected from each dealer would be used to subsidize Mahindra’s India-based operations and market its vehicles in the U.S.

9. Shah boasted about Mahindra’s “new” truck and claimed that they were ready to enter the U.S. Shah also touted Mahindra’s longstanding prior success in the U.S. market through its tractor and IT subdivisions. To that end, Mahindra invited John Perez (“Perez”) and William Goetze (“Goetze”), Global Vehicles’ CEO and President at the time, respectively, to visit Mahindra USA’s tractor plant in Calhoun, Georgia, to meet with Mahindra USA’s “Tractor Field Representatives.”

10. During their visit to Mahindra USA’s facilities, Perez and Goetze were introduced to Mahindra USA’s domestic liaison, Derek Johannes (“Johannes”), who would later be appointed to assist with marketing Mahindra’s

vehicles to the Dealers. Perez and Goetze were also introduced to Robert Masone, Vice President of Marketing for Mahindra USA.

11. Mahindra was aware that Global Vehicles had extensive experience operating in the automotive industry, and had already assembled a network of dealers in the U.S. Through Global Vehicles, Mahindra gained access to this well-established network of dealers across the U.S., as well as a steady stream of cash from those dealers who purchased the right to sell Mahindra vehicles in their respective geographic regions. Mahindra used these funds to defray the costs of modifying, testing, and ultimately obtaining certification to sell its vehicles in the U.S.

12. On March 15, 2004, Shah visited Global Vehicles' corporate offices, which at the time were located in Miami, Florida. Throughout that meeting, Shah emphasized Mahindra's interest and commitment to certifying its vehicles for sale in the U.S. Shah also expressed Mahindra's desire to work with Global Vehicles and its extensive network of dealers to sell trucks throughout the country. To that end, Shah elicited information about Global Vehicles' network of U.S. dealers. *See* March 16, 2004 Correspondence between Otto Campo, Executive Vice President/CFO of Cross Lander U.S.A. n/k/a Global Vehicles, and Pravin Shah, VP of Mahindra, attached as Exhibit "B." Shah expressed excitement about

Global Vehicles' ability to assemble such a large network of dealers, knowing that it would cost Mahindra millions to create a similar network from scratch.

13. Throughout the ensuing months, Shah and various other Mahindra executives reiterated, through emails and telephone calls, their desire to work with Global Vehicles and the Dealers. As a prelude to formalizing their business relationship, Global Vehicles and Mahindra entered into a Non-Disclosure Agreement on May 5, 2004. *See* May 5, 2004 Non-Disclosure Agreement, attached as Exhibit "C."

14. At one point, Sanjeev Mahoni ("Mahoni"), Vice President of Mahindra's Automotive Sector, visited Global Vehicles' manufacturing plant in Romania.⁵ Upon information and belief, Mahindra's purpose for visiting Global Vehicles' operations in Romania was to confirm the strength of Global Vehicles' "dealership network" and the level of Global Vehicles' insider knowledge – both of which Mahindra would need to successfully expand into the U.S. During its

⁵ Prior to its relationship with Mahindra, Global Vehicles (f/k/a Cross Lander USA, Inc.) was assisting Romania-based Cross Lander in its quest to bring its new off-road vehicles to the U.S. market. That endeavor ended when Romanian officials demanded kick-backs from Global Vehicles.

visit, Mahindra also learned how Global Vehicles previously assisted companies in dealing with the “Chicken Tax” implemented by the U.S. Government.⁶

15. During its meetings with Global Vehicles’ representatives in Romania, Mahindra repeatedly cited the success of its U.S. and global tractor business. *See* Mahindra, Homepage, available at <http://www.mahindrausa.com/Home>, last accessed May 14, 2012 (“It’s the best time of the year to buy the world’s #1 selling tractor”). Mahindra later specifically pointed to the success of its tractor business in meetings with Global Vehicles and the Dealers in Atlanta, Georgia, and Dallas, Texas, in order to induce the prospective dealers to participate.

16. In October 2005, Pawan Goenka (“Goenka”), President of Mahindra’s Automotive Sector, contacted Perez and requested a meeting at the upcoming 2005 Bologna Motor Show in Italy. At that meeting, Goenka, Shah, and Mahoni again discussed a partnership between Global Vehicles and Mahindra to develop a dealer network for Mahindra SUVs and pick-up trucks, including Mahindra’s new

⁶ The “Chicken Tax” commonly refers to a 25% tariff on potato starch, dextrin, brandy, and light trucks that was initially imposed by the United States in 1963 as a response to tariffs placed by France and West Germany on importation of U.S. chicken. Eventually, the tariffs on potato starch, dextrin, and brandy were lifted, but the light truck tax remains in place to ostensibly protect U.S. domestic automakers from foreign light truck production. Proclamation No. 3564 at ¶ 2, codified at 3 C.F.R. 318 (1959-63).

“Scorpio” model. According to Mahindra’s executives, the Scorpio was a modern SUV with a clean-burning, common-rail diesel engine *that was ready to be exported* to the U.S. Before bringing its SUV to the U.S., Goenka claimed that it needed a confirmed dealer network in place for the U.S. market.

17. Goenka requested an additional meeting in India to discuss how the Scorpio could be tailored to end-user preferences in the U.S.

18. Global Vehicles obliged and took its executives to India to evaluate and give feedback as to the potential marketability of Mahindra vehicles in the U.S. At that meeting, Goenka claimed that Global Vehicles and the Dealers needed to assist Mahindra with developing the Scorpio, and to begin marketing Mahindra’s name to all U.S. Dealers. Goenka and Shah then assured Perez that Mahindra would move forward quickly with certifying its trucks for distribution in the U.S. once Global Vehicles and Mahindra had a Distribution Agreement in place.

19. After traveling to India, Perez was contacted by Mahindra USA’s executives Johannes and Masone. Both individuals again touted Mahindra USA’s initial and continued success in the U.S., and urged Perez to move forward with getting a deal finalized with Mahindra. To that end, Johannes and Masone informed Perez of Mahindra USA’s availability to assist in contacting and meeting

Global Vehicles' Dealers to drum up excitement for Mahindra's vehicle launch. Johannes and Masone also informed Perez of their availability to assist Global Vehicles in setting up a local assembly line for Mahindra's vehicles. Mahindra USA would later take a significant role in marketing Mahindra vehicles to Dealers around the U.S., while boasting about the prior success of Mahindra USA in the domestic market.

20. As part of its own due diligence on Mahindra vehicles, Global Vehicles hired Jacques Bolduc ("Bolduc"), an expert in the field of U.S. compliance standards for automobiles. Bolduc examined the Scorpio to determine what alterations would be needed for the Scorpio to comply with U.S. standards and certifications. Bolduc ultimately concluded that conforming the Scorpio to U.S. standards and certifications was not only feasible, but could be completed before Mahindra's scheduled 2008 launch. *See* SRD Report of Bolduc, Inc., attached as Exhibit "D."

21. Based on Mahindra's representations regarding the Scorpio's U.S. certification status and its purported ability to complete production in less than two years, Global Vehicles began marketing Mahindra's vehicles to the Dealers. Global Vehicles also took steps to formalize its relationship with Mahindra.

“We Bring Them, You Sell Them!”

22. On January 20, 2006, Mahindra and Global Vehicles signed a Letter of Intent (“LOI”) for the purpose of assisting Mahindra with obtaining the dealer network required to successfully sell Mahindra trucks in the U.S. *See* Jan. 20, 2006, LOI attached as Exhibit “E.” Pursuant to the LOI, Mahindra enjoyed “full and complete access” to information concerning Global Vehicles’ operations and Dealer network. The LOI also required that Global Vehicles initially organize 10-15 dealers to assess Mahindra’s trucks for the U.S. market during a subsequent visit to India. *Id.*

23. During negotiations for the LOI, Global Vehicles and Mahindra again discussed raising more than \$30 million from the Dealers to facilitate Mahindra’s entrance into the U.S. market. *Id.*

24. Having by now formed a good faith belief that Mahindra was seriously determined to make a push into the U.S. market, Global Vehicles began taking steps to enlist Dealers on behalf of Mahindra by issuing letters of intent and raising funds to permit the sale of Mahindra vehicles in the U.S. To this end, Global Vehicles began supplying each potential Dealer with information about Mahindra and its executives, including the timeline presented by Mahindra for entrance into the U.S.

25. To raise its profile (and attract more dealers), Mahindra issued multiple press releases and contributed numerous articles to Automotive News, as well as to several national magazines and newspapers. On November 17, 2006, *The New York Times* covered Mahindra's plan to enter the U.S. market. Speaking to the *Times*' Saritha Rai, Goenka claimed that Mahindra wanted to "capture" a fraction of the S.U.V. and pickup truck sales in the U.S. Goenka also called the U.S. the "ultimate market" for Mahindra.⁷

26. In February 2006, Mahindra invited Global Vehicles and 15 of the Dealers to its factory in India. The Dealers spent one week at Mahindra's manufacturing plant, where they met with Mahindra personnel and test-drove the Scorpio. Throughout that visit, Mahindra's executives assured the dealers that the Scorpio would be certified for U.S. standards and ready for distribution by 2008. When the Dealers asked whether Mahindra had any doubts about the ability to certify their vehicles for the U.S. market, they were met with a vehement "no"

⁷ See Saritha Rai, "Indian S.U.V. Maker Plans To Enter United States Market," THE NEW YORK TIMES, Nov. 17, 2006, available at http://www.nytimes.com/2006/11/17/business/worldbusiness/17auto.html?_r=1&ex=1164517200&en=d750ad9a6ca1fb1e&ei=5070&emc=eta1, last accessed May 14, 2012; see also Stuart Waterman, Indian Automaker Targets U.S. Market with Scorpio SUV, Autoblog, Aug. 4, 2006, available at <http://www.autoblog.com/2006/08/04/indian-automaker-targets-u-s-market/> ("India-based Mahindra & Mahindra is considering exporting its light utility vehicles to the U.S., perhaps as early as 2007."), last accessed May 14, 2012.

from Goenka and Shah. For reassurance, Shah repeated to the Dealers, in the form of a tagline: “We bring them, you sell them” – referring to Mahindra’s vehicles.

27. The Dealers in attendance were able to test-drive the Scorpio. The Dealers and Global Vehicles’ executives found the vehicles to be powerful, quiet, and technologically sound. Aside from being impressed by the product, the Dealers were convinced by Mahindra’s representations of its intent to enter the U.S. market and to start delivering vehicles by 2008. Among those dealers was Kaiser Buick-GMC Truck, Inc., whose representatives provided Mahindra with insight into the U.S. Dealer market, including how Mahindra could alter the interior of the cars to more aptly sell to the U.S. public.

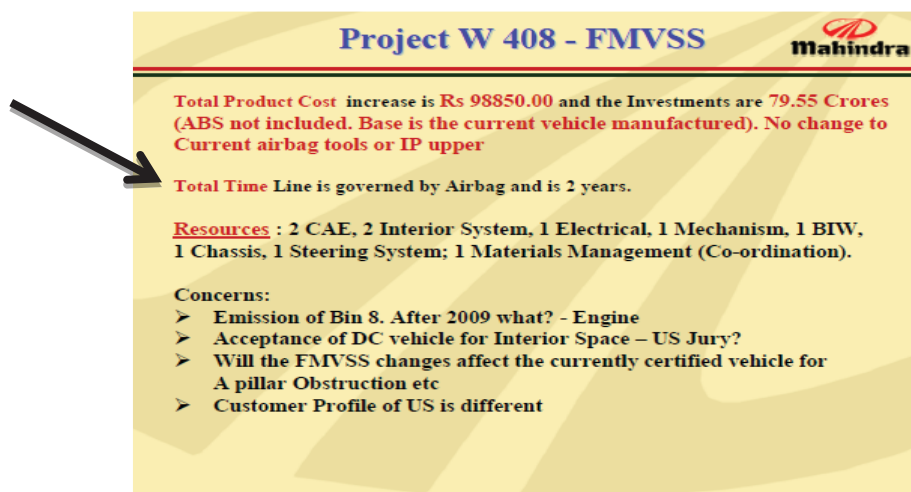
28. On February 6, 2006, Mahindra insisted on seeking evidence that Global Vehicles had enlisted dealers to sell Mahindra vehicles. Global Vehicles presented Mahindra with a list of over 100 dealers throughout the U.S. which, as a result of Mahindra’s representations, were ready and willing to sell Mahindra’s Scorpio vehicle. After seeing Global Vehicles’ current list of Dealers, Goenka demanded that each of them be ready to pay a fee for rights to sell Mahindra’s vehicles. Based on Goenka’s representations, this fee would be used to pay half of the development costs for certifying Mahindra’s vehicles for U.S. standards, and marketing these vehicles in the U.S. market.

29. On March 10, 2006, Global Vehicles and Mahindra entered into a Memorandum of Understanding (“MOU”) in Miami, Florida. *See* MOU, attached as Exhibit “F.” The MOU gave Global Vehicles the exclusive right to distribute Mahindra vehicles and spare parts in the U.S. Mahindra promised to use its “best effort to meet U.S. certification requirements” in a timely manner. Mahindra further represented and promised pursuant to the MOU, that the product would be available for “distribution/importation around model year 2008.” *Id.* Global Vehicles relied on, and passed on to the Dealers, Mahindra’s continued affirmation that it would use its best efforts to have the vehicles certified within the stipulated timeframe.



Fig. 1, Picture of MOU being signed by Mahindra and Global Vehicles in Miami, Florida.

30. From April to August 2006, representatives of Global Vehicles and Mahindra exchanged multiple emails regarding the specific terms of an exclusive Distributorship Agreement. Throughout these negotiations, Mahindra represented to Global Vehicles and the Dealers that its trucks and SUVs would comply with U.S. standards for safety and emissions regulations within two years, or by the end of 2008. Using PowerPoint presentations, Goenka and other Mahindra representatives further confirmed that Mahindra's U.S. launch date would take place within "two years."



See PowerPoint Presentation on FMVSS testing, attached as Exhibit "G." (noting that "Total Time Line is governed by Airbag and is 2 years"); see also Fig. 2, excerpt from *id.* above.

Mahindra Demands A Premium From Global Vehicles And The Dealers

31. By July 2006, Mahindra and Global Vehicles had settled on the scope of the terms for a Distribution Agreement. On September 22 and 23, 2006, Shah, Mahoni, and Zhooben Bhiwandiwala (“Bhiwandiwala”), Mahindra’s Vice President and advisor to Anand Mahindra, visited Global Vehicles’ new office in Georgia in an attempt to finalize the specific provisions of the Distribution Agreement. However, the parties were unable to agree on the specific terms. Specifically, Mahindra insisted that Global Vehicles, by way of the Dealers, pay more than \$16 Million to Mahindra for “exclusive rights” to sell Mahindra vehicles. Goenka claimed that Global Vehicles would have no trouble getting this amount from the Dealers based on the monetary projections and Dealer information Global Vehicles previously provided to Mahindra. Goenka claimed that “homologation” (the certification process for U.S. emissions and safety standards) would not occur unless Global Vehicles and the Dealers funded Mahindra’s operations.

32. By this time, Global Vehicles, along with more than 140 dealers, were eagerly awaiting finalization of the Distribution Agreement to begin importing Mahindra vehicles into the U.S. Due to the demand for Mahindra vehicles, and the

time, funds and effort that Global Vehicles and the Dealers had already expended, Global Vehicles agreed to deliver to Mahindra, \$8.5 Million from the Dealers.

33. The Distribution Agreement was finalized by all parties on September 26, 2006. *See* Sept. 27, 2006 Correspondence from Sanjeev Mahoni to Global Vehicles' representatives, John Perez, Jill Jimenez and Mahindra's Pravin Shah, with "final" version of Distribution Agreement, attached as Exhibit "H."

34. On September 27, 2006, Perez and Manuel Baez, Chairman of the Board of Global Vehicles, were invited to Paris for the sole purpose of participating in a "ceremonial" signing of the Distribution Agreement.

35. At approximately 11:00 p.m. on September 27, 2006, Shah contacted Perez. Shah claimed that an urgent matter needed to be discussed that evening before Mahindra could move forward with signing the Distribution Agreement. According to Shah, Mahindra's Board of Directors was worried about liability in the unlikely event that, despite its best efforts, Mahindra could not complete homologation in the U.S.

36. At midnight on September 28, 2006, Shah handwrote a clause into the Distribution Agreement which purportedly allowed Mahindra to "walk away" from the contract if homologation was not completed by August 2009.

Product Development and Homologation Requirements.

M&M shall be responsible for satisfying the Homologation requirements to enable the Products to be sold in the Territory. All Intellectual Property Rights in the Products (and any and all modifications and improvements thereto) shall at all times immediately vest in and remain the sole and exclusive property of M&M. Except for the Licensed Marks, neither Global Vehicles nor its Permitted Sub-Distributors and Dealers, shall have any rights, directly or indirectly, whatsoever with respect to any Intellectual Property Rights related to the Products. Achievement of U.S. safety, emission and homologation standards is the essence of this agreement. Failure to achieve this by August 31st 2009 will render this agreement void with no liability on either side.

Competing Products.



See Fig. 3, hand-written provisions in Distribution Agreement

37. Despite this clause, Shah represented and reiterated to Global Vehicles that Mahindra would meet all homologation and certification requirements well before August 2009. Shah provided assurances that this clause was simply to satisfy Mahindra’s Board of Directors. According to Shah, in the unlikely event that Mahindra could not achieve U.S. certification, it would walk away from the project and never enter the U.S. market. These representations induced, Global Vehicles to execute the Distribution Agreement.

38. After those representations and assurances by Mahindra, Global Vehicles moved forward with collecting \$8.5 million from the Dealers and began transferring these funds to Mahindra. Global Vehicles also continued to develop the Dealer network.

39. The Dealers that had not been to India were concerned about providing Global Vehicles and Mahindra funds for the ability to sell a vehicle that

they had never seen. In direct response and in order to induce additional dealers to sign up, Mahindra decided to bring its top executives to the U.S. for a “face to face” meeting with the Dealers. Mahindra insisted that Global Vehicles contact every dealer it knew and invite them to come to Mahindra’s “sales” event.

Mahindra’s “Dog And Pony Show” To Lure Dealers

40. On April 19, 2007, Mahindra executives Shah, Goenka and Jaura participated in a dealer show in Atlanta, Georgia. More than 400 dealers attended from around the U.S. At the show, Goenka and Jaura began by boasting about Mahindra’s size, credentials, and previous success in the U.S. market through the sale of tractors and in connection with Tech Mahindra’s IT business. *See* PowerPoint Presentation given by Arun Jaura to the Dealers on April 19, 2007, attached as Exhibit “I.” Goenka and Jaura bragged that Mahindra controlled more than 65% of the African trucking market, and more than 30% of the European trucking market. They announced that the U.S. was Mahindra’s next stop.

41. Goenka stated that each Dealer’s “investment” in Mahindra would be protected based on the “readiness” of Mahindra’s vehicles for the U.S. Market. Mahindra buttressed and enhanced this statement by placing five Mahindra

vehicles on display, which it claimed were “ready for sale.” Goenka’s statements were further supported by promotional videos showcasing the vehicles’ durability, purportedly showing them being driven on different terrains.

42. Mahindra executives then gave a lengthy presentation to ensure that the Dealers would unquestionably place their “investments” with Mahindra. Goenka repeatedly and falsely claimed that individuals would “soon be driving [the] Scorpio in the USA” and “soon [each dealer] will get one of these in the USA.” *See* video recording of Mahindra’s April 19, 2007 “Dealer Event” in Atlanta, Georgia at <http://youtu.be/-Lusu5-AnYA>, Min. 11:50-16:40. Goenka claimed that the Mahindra product would be ready “at the end of 2008, early 2009.” *Id.* at Min. 21:18. Goenka also told the Dealers that each showroom would need to be constructed to conform to Mahindra’s marketing standards in time for the 2008 launch. To that end, Goenka urged the Dealers to immediately sign up for the right to sell Mahindra vehicles and to construct their respective dealerships in time.

43. Jaura then presented the Dealers with a set time-line for introducing Mahindra’s four-door truck at the end of 2008, and for introduction of Mahindra’s two-door truck and SUV during the Third Quarter of 2009. *Id.* Jaura pushed the

Dealers to sign up that evening for the right to sell Mahindra vehicles, touting the “secure investment” that would be arriving in their showrooms in one year.

44. Mahindra’s presentation was the key to not only inducing the existing Dealers to contribute funds towards the project and disclose valuable trade secrets to Mahindra, but was instrumental in convincing new dealers to enter into business with Mahindra.

45. Among the 400 Dealer attendees at the Atlanta conference was Joseph Yergeau, representing Dealer Holloway Buick. Yergeau, like many others, was impressed by the claimed “ready for sale” test vehicles on display at the event, and by representations by Mahindra executives of its readiness to enter the U.S. market. Yergeau, along with more than 150 other dealers, made out checks after Mahindra’s “Dog and Pony” show for the right to sell Mahindra vehicles.

46. By midnight on April 19, 2007, Mahindra had \$8.5 Million in its pocket. But Mahindra remained unsatisfied – and the scheme to milk the Dealers continued.

47. After the Atlanta Show, Mahindra issued multiple press releases boasting about its visit to the U.S., where a “standing-room only crowd” had the privilege of hearing about its “world-class” automobiles. *See Mac Gordon, From The Land of Bollywood: U.S. Dealers Attend Sneak Preview Of Indian-Made*

Vehicles, WARDS DEALERBUSINESS (June 1, 2007), attached as Exhibit “J.” In articles, Mahindra’s executives claimed that Mahindra’s SUV and Pick-up would be available for purchase in the U.S. by early 2009. *Id.*

Mahindra’s Inexplicable Delays And Theft Of Trade Secrets

48. Over the next two years, Baez and Perez met with Goenka, Shah, and Mahoni on multiple occasions to obtain status updates on Mahindra’s homologation and certification progress. At every step along the way, Mahindra and its executives specifically represented to Global Vehicles and the Dealers that the certification process was on target and that the promised time-line would be met. Neither Global Vehicles nor the Dealers were given notice of any obstacles to Mahindra’s certification process.

49. Despite Mahindra’s assurances, it continually refused Global Vehicles’ access to any documents indicating whether specific testing had been completed and whether the vehicles had obtained the required U.S. certification.

50. Because Global Vehicles continued to press for answers, on August 1, 2008, Perez was again invited to India to meet with Mahindra’s representatives and receive a progress report on the vehicles. As he viewed a PowerPoint Presentation by Mahindra, Perez, and other Global Vehicles executives noticed the presence of Global Vehicles’ confidential budget information, financial projections, and

individual dealer information. Neither Global Vehicles nor the Dealers had ever provided this information to Mahindra. Upon further investigation, Global Vehicles determined that Mahindra had induced Global Vehicles' Vice President of Sales, Casey McGraw ("McGraw"), to make unauthorized disclosures of confidential dealer information to Mahindra's U.S. representative, Johannes. Upon information and belief, Mahindra paid McGraw to turn over this confidential information. Upon information and belief, Mahindra also promised McGraw employment with Mahindra once Global Vehicles was "taken out of the picture."

51. Tellingly, throughout the negotiations with Global Vehicles, Mahindra had insisted that Johannes relocate to Global Vehicles' offices in Georgia to facilitate project cooperation. When confronted, Mahindra representatives denied all accusations of trade secret misappropriation, but offered no explanation for how Mahindra had received confidential dealer information.

Mahindra's "Dealer Package"

52. From October, 2008 onwards, the Dealers were regularly provided with updated "Dealer Packages", which included background information on the companies and their respective executives, and a Letter of Intent confirming the Dealer's commitment to enter into a "Sales and Services Agreement" for a Mahindra "dealership point." *See e.g.*, 2009 Dealership Package with Mahindra

and Global Vehicles' Logo, attached Exhibit "K." The Dealer Package included a detailed company overview of Mahindra, including specifics about Anand's successful endeavors in the U.S. In regards to the vehicles, the Dealer Package showcased pictures and information on each type of light truck and SUV that was destined to be sold in the U.S. *See id.* at pgs. 3-6. Notably, in the Dealer Packages – which had to be approved by Mahindra before being disseminated to prospective dealers – Mahindra required that each Dealer facility be equipped to support a costly 900-square foot showroom, and include a "Mahindra Dealer Sign Package." *See id.* at pgs. 7-8. The Dealer Packages also included sample facility designs to ensure that Mahindra was marketed throughout the U.S. in what it deemed the "correct" manner. *Id.*

53. The Dealer Packages included a PowerPoint presentation with the tagline "Engineered for the Future." *See id.* at 25. This PowerPoint listed the additional advantages of Mahindra's "New Generation of Light Trucks," including the Trucks' "Fuel Efficiency", "Load Capacity", and "Advanced Diesel Engine."

54. Lastly, the Dealer Packages included multiple news articles and publications regarding Mahindra's preparations for its "U.S. vehicle launch." *See id.* at pgs. 34-47. Eleftheria Parpis, *Q&A: Mahindra's Beguiristain, Indian car firm preps for U.S. vehicle launch*, ADWEEK.COM (Oct. 27, 2008) ("[T]he timing

for Mahindra's high-torque, fuel efficient diesel engine truck line, set to hit the U.S. late next year, may be just right.”). Many of the articles touted Mahindra's past success in selling “bulletproof” tractors in the U.S. and highlighting the fact that Mahindra currently sells vehicles in 25 countries. *See e.g.*, Chris O'Malley, Trucks from India: *Mahindra, Better Known In U.S. As A Tractor Maker, Ready To Sell Its Trucks, SUVs At Local Dealers*, INDIANAPOLIS BUSINESS JOURNAL (December 13, 2008). In these articles, Goenka and Shah claimed that Mahindra had already “appointed around 350 dealers and [the dealers] are getting the infrastructure ready in terms of showrooms, etc.” *See* Pankaj Doval, US foray on track, THE TIMES OF INDIA (Dec. 22, 2008). Shah even claimed that Mahindra “would soon be training [the dealers].” *Id.*

55. These promotional materials were included in each Dealer Package at Mahindra's request to induce the Dealers into believing that they were buying into a great opportunity.

56. Despite Mahindra's numerous press releases and articles claiming that its “US foray [was] on track,” Mahindra executives delayed delivery from the end of 2008 to the First Quarter of 2009. Then, in March 2008, Mahindra announced that its vehicles would not be ready until September 2009. Mahindra later delayed the launch date for its vehicles yet again to December 2009; then the First Quarter

of 2010; then June 2010; and finally September 2010. Throughout this time, however, Goenka, Shah, and other Mahindra executives reassured both Global Vehicles and the Dealers that Mahindra's vehicles would shortly pass all U.S. homologation and certification requirements.

57. Despite its reassurances, Mahindra continually demanded additional funds from the Dealers before moving forward. Seeing no alternative, Global Vehicles passed Mahindra an additional \$1 million in funds that had been received from the Dealers during and after Mahindra's 2007 Atlanta show.

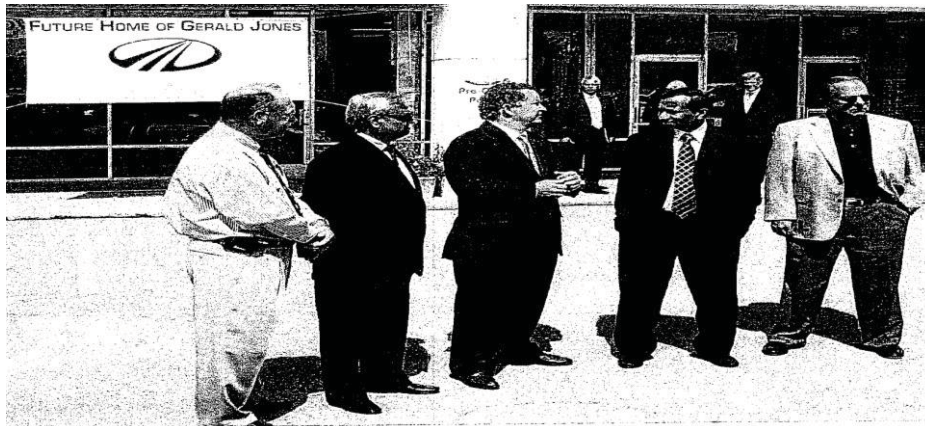
Mahindra's "Road Show" To Lure Dealers

58. On May 11, 2009, Goenka met with Global Vehicles and the Dealers to announce that the U.S. certification procedures for the Scorpio vehicle were nearly complete. Goenka claimed that Mahindra "know[s] it can pass everything" and "all that's left is the road test." Goenka then shared this same message with Dealers around the U.S. As he traveled to various dealerships, Goenka claimed that Mahindra's trucks were passing every requirement for U.S. certification.

59. On this "Road Show," Goenka, and other Mahindra executives observed the numerous dealerships across the U.S. which had built Mahindra showcases, "Heritage Walls" and/or renovated their dealerships based on Mahindra's approved marketing guidelines. *See* Pictures of Mahindra Heritage

Walls and Mahindra Dealerships, attached as Composite Exhibit “L.” Mahindra also inspected the “signage” and marketing materials for each dealership, to ensure that each Dealer had followed Mahindra’s marketing guidelines. *See* Mahindra Signage Guidelines, attached as Composite Exhibit “M.” If any dealership fell below Mahindra’s marketing standards, Mahindra required re-construction of that dealership facility before it would agree to send vehicles.

60. On May 12, 2009, Goenka paid a visit to Gerald Jones’ dealership where Goenka provided assurances that Mahindra’s vehicles were certified and ready for the U.S. market. At the Jones Dealership, Goenka inspected and approved the facility upgrades performed by the dealership in preparation for Mahindra’s vehicle launch. *See* Fig. 4, below:



Mahindra ensured that its visit to Mr. Jones’ dealership, and to other Dealers around the U.S., received extensive media coverage. *See* Tim Rausch, *Indian Trucks Coming To Martinez*, AUGUSTA CHRONICLE, May 13, 2009, attached as

Exhibit “N.” In articles, Mahindra continued to tout the imminent readiness of Mahindra’s vehicles to enter the U.S., claiming that Mahindra would be the “first Indian manufacturer or Chinese manufacturer to be in the U.S,” and that “[t]he U.S. is a very big market for [Mahindra].” *Id.*

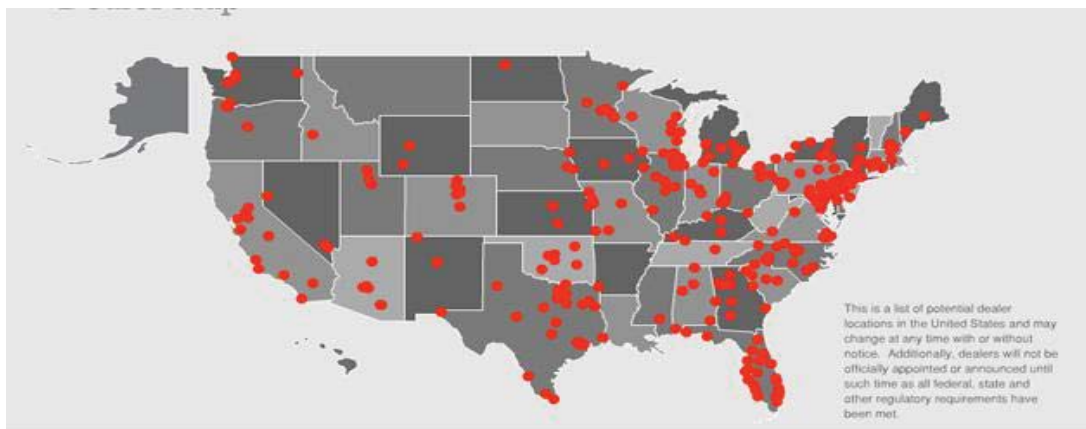
61. On May 12, 2009, Goenka visited Jack Urfer’s dealership in Sarasota, Florida, and personally approved the renovations that Mr. Urfer had performed on his dealership for the purpose of selling Mahindra vehicles. *See* Toni Whitt, *Indian Car Company Readies Sarasota Showroom*, HERALD TRIBUNE, November 3, 2010, attached as Exhibit “O.” According to Goenka, his “Road Show” was designed to ensure that the look and feel of each dealership conformed to Mahindra’s “DNA.” *Id.* Goenka emphasized that Mahindra SUVs were scheduled “to come to [the U.S.] market in the next year.” *Id.*

62. By May 25, 2009, Mahindra had touted the articles published around the U.S. that boasted about its imminent readiness for the U.S. Market. For example, in an Automotive News interview dated May 25, 2009, Goenka claimed that Mahindra vehicles “have been able to meet every [certification] requirement . .

. almost all the lights are green for us.” See May 25, 2009 Interview of Goenka as published in AUTOMOTIVE NEWS, attached as Exhibit “P.”⁸

The Product Of Mahindra’s Misrepresentations

63. By the end of 2009, Mahindra’s dealer network included 347 dealers across the U.S.:



See Chris Paukert, Mahindra Maps Out “Potential” U.S. Dealer Network For Forthcoming Small Diesel Pickup, AUTOBLOG, available at <http://www.autoblog.com/2009/11/18/mahindra-maps-out-potential-u-s-dealer-network-for-forthcomin/>, last accessed on May 10, 2012.

⁸ By this time, Mahindra’s marketing efforts included pairing up Mahindra vehicles with Mahindra USA tractors at Dealer shows and “Agricultural Expos” in order to buttress Mahindra’s reputation and credibility for the purpose of eliciting Dealer “investments” on behalf of Mahindra. See Pictures of joint marketing efforts between the Mahindra Defendants, attached as Exhibit “Q.” To that end, Plaintiffs were invited to Mahindra USA’s facilities in a marketing effort to show the “potential” of Mahindra vehicles, once the Dealers helped to establish Mahindra in the U.S.

64. Based on Mahindra's representations, the Dealer Plaintiffs and more than 340 other dealers around the U.S. began preparing to receive and sell Mahindra vehicles in their home states. Plaintiff Holloway Buick, for example, purchased a new dealer facility and constructed and retrofitted that facility to Mahindra's specifications, including Mahindra's chosen color scheme, furniture and tiling. Holloway Buick also spent thousands of dollars advertising Mahindra automobiles in its community – using Mahindra's approved pitch phrase: “The Biggest Little Truck In The World.” *See* Mahindra Advertisements of Holloway Motor Group, attached as Composite Ex. “R.” Holloway Buick also spent thousands of dollars creating a “Business Plan” geared towards selling Mahindra vehicles. *See* Business Plan of Holloway Motor Group, attached as Ex. “S.”

65. Plaintiff Mauro likewise renovated his facility and kept more than 29 employees on his payroll in anticipation of imminently receiving Mahindra automobiles. Mauro also spent money on advertising Mahindra automobiles to the local community.

66. As another example, South Main Motors of Harrisonburg, Virginia, purchased a brand new lot and built a new parts and services department. It also refurbished a showroom, purchased new accounting software, and obtained

Mahindra key chains and license plate holders for the expected Mahindra vehicles.

Id.

67. All Plaintiffs were also forced to pay for the Mahindra signage and services of a construction company that Mahindra designated to prepare the dealerships for Mahindra's "arrival." By January 2010, the Dealers had invested more than \$65 million in fees for the right to sell Mahindra vehicles and more than \$160 million upgrading their facilities. Moreover, by January, 2010, the Dealers had expended more than \$60 million in marketing and advertising of Mahindra vehicles throughout the U.S.

Mahindra's Offer to Purchase Global Vehicles To Obtain Trade Secrets

68. In April 2010, Mahindra expressed an interest in acquiring Global Vehicles. To that end, Mahindra and Global Vehicles negotiated the terms of a Letter of Intent (the "Purchase LOI") calling for a purchase price of \$31.48 million, which was signed on April 27, 2010. *See* April 27, 2010, Purchase LOI attached as Exhibit "T."

69. However, the Purchase LOI was nothing more than a ruse. Under the cover of "due diligence," Mahindra received access to highly confidential information regarding every dealer in Global Vehicles' dealer network, including

each dealer's financial information, showroom strategy, projected sales, and gross profit margin.

70. In May 2010, Mahindra executive Mahoni, along with a fleet of attorneys visited Global Vehicles' Georgia office. For eight hours a day, over several days, Mahindra's attorneys reviewed, analyzed, and copied confidential dealer information in Global Vehicles' possession.

***Mahindra Reneges On Its Deal:
Cash In Pockets And Trade Secrets Already In Hand***

71. On June 9, 2010, Perez contacted Mahoni in an effort to finalize negotiations for the purchase of Global Vehicles and the takeover of the Dealer network. That same day, Global Vehicles received a draft Purchase LOI that materially altered the terms that the parties had previously discussed. The new terms required indemnification of Mahindra by all stockholders of Global Vehicles, individually. The new terms also permitted Mahindra to selectively cull and hand-pick from the Dealers that had already paid funds for the rights to sell Mahindra vehicles, while leaving other Dealers out of their "new" dealership network in the U.S.

72. In an effort to finally come to an agreement, Baez contacted Goenka and requested a meeting in Atlanta. On June 11, 2010, Mahindra held a meeting at Global Vehicles' offices. Global Vehicles presented a proposal to Mahindra.

Goenka and Shah responded to Global Vehicles' proposal with various threats. They claimed that Mahindra would terminate the Distribution Agreement if the parties did not reach an agreement by the end of the day. Mahindra's ultimatum: Accept all new conditions – including the indemnification of Mahindra for all future U.S. litigation and Mahindra's ability to cherry pick from the Dealers – or Mahindra would terminate the Distribution Agreement based on Mahindra's own self-proclaimed failure to obtain U.S. certification. Because Global Vehicles would not agree to these unconscionable terms, which would leave hundreds of dealers and their employees out in the cold, Mahindra then attempted to terminate the Distribution Agreement and its relationship with the Dealers.

***Mahindra Reveals Its Hand:
Milk Global Vehicles And The Dealers Dry, And Then Find A Better Deal
Elsewhere***

73. At the same time that Mahindra was attempting to jettison Global Vehicles and the Dealers, Mahindra and its executives, in contrast, were telling the automotive industry that all was well. On May 17, 2010, Goenka told *Automotive News* that Mahindra had completed U.S. emissions testing and would submit paperwork to the EPA that month. See Lindsay Chappel, *Mahindra Says Truck Will Arrive By Year End*, AUTOMOTIVE NEWS (May 17, 2010).

74. It is now clear that Mahindra delayed submitting necessary paperwork to the EPA past the June 11, 2010 deadline in order to give it a pretext to terminate its commercial relationship with Global Vehicles and the Dealers. *See* Fig. 3. In fact, on June 23, 2010, *less than two weeks* after Mahindra attempted to terminate the Distribution Agreement, Mahindra submitted to the NHSTA its report of compliance with U.S. safety standards. *See* July 9, 2010 Correspondence from Sanjay Deshpande to USEPA, Office of Transportation and Air Quality, attached as Exhibit “U.”

75. On August 17, 2010, the EPA certified Mahindra vehicles under U.S. standards. Just three days later, Mahindra publicly announced that it received EPA certification for its vehicles.

76. Upon information and belief, Mahindra is now attempting to enter the U.S. market, using the benefit of funds, information, and trade secrets obtained from Global Vehicles and the Dealers.

77. Mahindra’s March 2011 acquisition of Korean-based Ssangyong Motors now sets one alternative stage for Mahindra to enter the U.S. market. *See* “After SsangYong, Mahindra to expand biz in US,” THE INDIAN EXPRESS, Nov. 16, 2010, available at <http://www.indianexpress.com/news/after-ssangyong-mahindra-to-expand-biz-in-u/712051/> (last accessed May 13, 2012). This acquisition

provides Mahindra with just one of a number of means to access the U.S. market, where it will surely succeed based on the financial support, trade secrets, and insider knowledge it gained from the Dealers and Global Vehicles.

78. Upon information and belief, Mahindra will cherry pick certain Dealers obtained from Global Vehicles' dealer network to create a "new", separate dealer network in the U.S. – leaving out the remaining Dealers. *See* Lindsay Chappel, *The Mahindra Mess*, AUTOMOTIVE NEWS (October 11, 2011) (Roma Balwani, Mahindra's Senior Vice President of Corporate Communications: "We will need a new distribution network, including the ones who are signed up with GV, if they are interested in signing up with Mahindra."). In moving forward with its "hand-picked" dealers, Mahindra will also use the dealers' operational infrastructure, including information systems, logistics, accounting, projections, and network affiliates, to assist its entrance into the U.S.

COUNT I
FRAUD
(AGAINST MAHINDRA)

Plaintiffs re-allege paragraphs 1 through 78, as if fully incorporated herein, and further allege:

79. Mahindra represented to Plaintiffs that it fully intended to bring its vehicles to the U.S., and that it would offer Mahindra vehicles for sale in the U.S. through Plaintiffs.

80. Mahindra made these representations to the Dealers either directly, or through Global Vehicles, which then reinforced Mahindra's representations to Plaintiff Dealers believing in good faith that they were true.

81. Mahindra knew that Plaintiffs would rely on its representations.

82. Mahindra knew that Plaintiffs would pay monies to Mahindra based on these representations.

83. At all material times, Mahindra made these representations while knowing that its true intention was not to use Plaintiffs for the distribution and sale of its vehicles in the U.S.

84. Plaintiffs reasonably relied on Mahindra's representations by making substantial investments, to their detriment, in anticipation of selling Mahindra vehicles.

85. As a result of Mahindra's failure to deliver vehicles for sale, Plaintiffs have been damaged.

86. Mahindra acted with the specific intent to cause harm to Plaintiffs or acted with conscious indifference to the consequences of its actions and omissions

to justify an award of punitive damages to punish, penalize, or deter Mahindra from committing similar actions in the future. Plaintiffs should be awarded punitive damages from Mahindra in an amount to be determined at trial according to the enlightened conscience of the jury. Plaintiffs also are entitled to recover their reasonable attorneys' fees from Mahindra.

WHEREFORE Plaintiffs demand judgment against Mahindra for damages, including punitive damages, and for such further relief as the Court may deem just and equitable.

COUNT II
NEGLIGENT MISREPRESENTATION
(AGAINST MAHINDRA)

Plaintiffs reallege paragraphs 1 through 78, as if fully incorporated herein, and further allege:

87. Mahindra represented to Global Vehicles and the Dealers that it fully intended to bring its vehicles to the U.S. for sale by the Dealers.

88. Mahindra knew or had reason to know that Global Vehicles would pass on those representations to the Dealers.

89. Mahindra knew or had reason to know that the Dealers would rely on its representations made via Global Vehicles.

90. Mahindra made its representations knowing that they were false, or without exercising reasonable care as to their truthfulness.

91. Plaintiffs foreseeably relied on those representations, to their detriment.

92. Plaintiffs have suffered damages as a result.

WHEREFORE Plaintiffs demand judgment against Mahindra for damages, and for such further relief as the Court may deem just and equitable.

COUNT III
FRAUDULENT INDUCEMENT
(AGAINST ALL DEFENDANTS)

Plaintiffs reallege paragraphs 1 through 78, as if fully incorporated herein, and further allege:

91. For the purpose of procuring the Plaintiffs' monies and trade secrets, the Mahindra Defendants, acting in concert and as agents of each other, verbally and through written sales materials, advertisements, and press releases, represented that the monetary investments made to Mahindra were "secure" based on the "readiness" of Mahindra's vehicles for the U.S. market, and the short timeline for bringing the vehicles to the U.S.

92. Agents and representatives of the Mahindra Defendants represented that Mahindra fully intended to bring vehicles to the U.S. for sale by the Dealers by

the end of 2008. The Mahindra Defendants made this representation for the purpose of gaining approximately \$9.5 Million and trade secrets from Plaintiffs, while never intending to bring its vehicles to the U.S. market through Plaintiffs.

93. Likewise, from July 2006 until Plaintiffs handed more than \$9.5 Million and trade secrets to the Mahindra Defendants, the Mahindra Defendants represented through verbal communications, press releases, dealership packages and written advertisements that:

- a. Mahindra intended to bring its vehicles to the U.S. market by 2008;
- b. Mahindra would enter the U.S. market through Plaintiffs;
- c. Mahindra's vehicles would generate positive cash flows and steady revenue streams for Plaintiffs; and
- d. Plaintiffs would obtain a return on their investments.

94. The Mahindra Defendants made these representations knowing that they were false, and knowing that they never intended to bring Mahindra vehicles into the U.S. in the fashion that they touted.

95. Plaintiffs agreed to pay a premium amount for the rights to sell Mahindra Vehicles and paid millions to construct their respective facilities for the introduction of Mahindra vehicles.

96. But for the misrepresentations made by the Mahindra Defendants, Plaintiffs would not have paid a premium amount to the Mahindra Defendants and spent millions of dollars acquiring, retrofitting and/or constructing their facilities for the introduction of Mahindra vehicles.

97. As a result of Plaintiffs' reliance on the Mahindra Defendants' misrepresentations, Plaintiffs have been and continue to be damaged by having collectively paid more than \$9.5 Million to Mahindra, constructing their facilities to prepare for Mahindra vehicles, and providing Mahindra with trade secrets allowing the Mahindra Defendants to enter the U.S. market without Plaintiffs.

93. The Mahindra Defendants acted with the specific intent to cause harm to Plaintiffs or acted with conscious indifference to the consequences of its actions and omissions to justify an award of punitive damages to punish, penalize, or deter the Mahindra Defendants from committing similar actions in the future. Plaintiffs should be awarded punitive damages from the Mahindra Defendants in an amount to be determined at trial according to the enlightened conscience of the jury. Plaintiffs also are entitled to recover their reasonable attorneys' fees from the Mahindra Defendants.

WHEREFORE Plaintiffs demand judgment against the Mahindra Defendants for damages, and for such further relief as the Court may deem just and equitable.

COUNT IV
UNJUST ENRICHMENT
(AGAINST MAHINDRA)

Plaintiffs reallege paragraphs 1 through 78, as if fully incorporated herein, and further allege:

98. Plaintiffs conferred upon Mahindra a benefit in the form of money, trade secrets, and advertising in exchange for obtaining the rights to sell Mahindra vehicles in the U.S.

99. Mahindra retained these benefits from Plaintiffs, knowing that Plaintiffs expected to obtain vehicles by the end of 2008 in return.

100. However, Mahindra has not fulfilled its end of the bargain.

101. Under the circumstances, it would be inequitable for Mahindra to retain these benefits without reciprocating any benefit to Plaintiffs.

102. As a result of the foregoing, Mahindra has been unjustly enriched to the detriment of Plaintiffs.

WHEREFORE Plaintiffs demand judgment against Mahindra for damages, and for such further relief as the Court may deem just and equitable.

COUNT V
CIVIL CONSPIRACY
(AGAINST ALL DEFENDANTS)

Plaintiffs reallege paragraphs 1 through 78, as if fully incorporated herein, and further allege:

103. The Mahindra Defendants entered into an express or implied agreement among themselves to achieve one common purpose – induce Plaintiffs into entering into agreements to sell Mahindra vehicles and advertise Mahindra’s brand in the U.S. Through the use of false representations, these Defendants jointly lured the Dealers into paying millions for the rights to sell Mahindra vehicles, to turn over more than \$100 million in trade secrets, and to advertise Mahindra’s brand in the U.S. Acting in concert, they eventually succeeded in inducing Plaintiffs into turning over more than 9.5 million USD, \$100 million USD worth of Dealer trade secrets that Mahindra would use for its future entrance into the U.S., and “free” promotion of Mahindra’s brand name around the U.S

104. The Mahindra Defendants actively participated in furthering the fraudulent scheme, by jointly marketing the imminent “readiness” of Mahindra vehicles, holding multiple product launch events to promote Mahindra vehicles, and inducing the Dealers to turn over funds for Mahindra’s benefit.

105. These wrongful acts by the Mahindra Defendants constituted a conspiracy to commit a tort, namely fraud, against Plaintiffs.

106. As a result of the Mahindra Defendants' conspiracy and their acts in furtherance of the conspiracy, Plaintiffs suffered damages in an amount to be determined at trial.

WHEREFORE Plaintiffs demand judgment against the Mahindra Defendants for damages, and for such further relief as the Court may deem just and equitable.

COUNT VI
NEGLIGENT MISREPRESENTATION
(AGAINST MAHINDRA USA)

Plaintiffs reallege paragraphs 1 through 78, as if fully incorporated herein, and further allege:

107. Mahindra USA represented to Global Vehicles and the Dealers that Mahindra intended to bring vehicles to the U.S. for sale by the Dealers.

108. Mahindra USA knew or had reason to know that Global Vehicles would pass on those representations to the Dealers.

109. Mahindra USA knew or had reason to know that the Dealers would rely on its representations.

110. Mahindra USA made its representations knowing that they were false, or without exercising reasonable care as to their truthfulness.

111. Plaintiffs foreseeably relied on those representations, to their detriment.

112. Plaintiffs have suffered damages as a result.

WHEREFORE Plaintiffs demand judgment against Mahindra USA for damages, and for such further relief as the Court may deem just and equitable.

JURY TRIAL DEMAND

Plaintiffs demand a trial by jury for all matters so triable.

Respectfully submitted this 4th day of June, 2012

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