

SETTLEMENT AGREEMENT

This Class Action Settlement Agreement (“Agreement”) is entered into between Plaintiffs Keith Yaeger, Michael Schuler, Joseph Montgomery, Bryan Bair, Thomas Vanlaarhoven, Laura Hogle, Kim Marie Papa, Robert Tedesco, Jr., and Natalia Tuzovskaya (collectively “Plaintiffs” or “Representative Plaintiffs”), individually and as representatives of the Class (as defined below), and Subaru of America, Inc. (“Subaru”) and Fuji Heavy Industries, Ltd. (“FHI”) (collectively, with Subaru, “Defendants”). The Agreement is intended to fully, finally, and forever resolve, discharge, and settle the consolidated lawsuits captioned *Keith Yaeger, et al. v. Subaru of America, Inc., et al.*, No. 1:14-cv-04490-JBS-KMW and *Robert Tedesco, Jr., et al. v. Subaru of America, Inc., et al.*, 1:14-cv-06317-JBS-KMW, pending in the United States District Court for the District of New Jersey (together, the “Action”), and all matters raised or that could have been raised therein, subject to the terms and conditions hereof and approval by the Court.

I. RECITALS

1. WHEREAS, Plaintiffs have filed the above referenced Action as a putative class action against Defendants, claiming that due to alleged defects, the Settlement Class Vehicles consume improper or excessive amounts of engine oil;
2. WHEREAS, Plaintiffs seek damages and injunctive relief, and assert that the litigation should proceed as a class action;
3. WHEREAS, Defendants deny Plaintiffs’ allegations and claims and maintain that the Settlement Class Vehicles do not consume improper or excessive amounts of engine oil; that the Settlement Class Vehicles are not defective; that no applicable warranties were breached nor applicable statutes violated; that the Settlement Class Vehicles were properly

designed, manufactured, distributed, marketed, advertised, warranted, and sold; and that Defendants have not engaged in any wrongdoing;

4. WHEREAS, the Parties have conducted, and continue to conduct, extensive discovery, including:

- (a) Document production and review, including 12,000 pages produced to date, with further productions pending, regarding:
 - (i) Vehicle service and warranty histories for each of the Plaintiffs;
 - (ii) Oil Consumption Test forms from Subaru Dealers;
 - (iii) Original and revised Technical Service Bulletins;
 - (iv) Settlement Class Vehicle owner's manuals and warranty and maintenance books;
 - (v) Settlement Class Vehicle warranty claims data; and
 - (vi) Subaru's and FHI's internal investigation, analysis and conclusions.
- (b) Independent investigations and analyses by Plaintiffs and Defendants, including consultation with and research by experts and consultants retained for the purposes of the Litigation.
- (c) Depositions of corporate representatives.

5. WHEREAS, the Parties, following discovery, investigation, and careful analysis of their respective claims and defenses, and with full understanding of the risks, expense, and uncertainty of continued litigation, desire to compromise and settle all issues and claims that were or could have been brought in the Action by or on behalf of Plaintiffs and Settlement Class Members with respect to any allegation of improper or excessive oil consumption by the Settlement Class Vehicles;

6. WHEREAS, the Parties agree that neither this Settlement Agreement nor the underlying settlement shall constitute or be construed as any admission of liability or

wrongdoing on the part of Defendants, which is expressly denied, or that the Plaintiffs' claims or similar claims are, or would be, suitable for class treatment if the Action proceeded through litigation and trial;

7. WHEREAS, this Settlement Agreement is the result of arm's-length negotiations between the Parties, and is fair, adequate, and reasonable;

8. NOW, THEREFORE, in consideration of the mutual promises and agreements set forth below, the Parties hereby agree as follows:

II. DEFINITIONS


Whenever the following capitalized terms are used in this Agreement and in the attached Exhibits (in addition to any definitions provided elsewhere in this Agreement), they shall have the following meanings:

1. **"Action"** means the consolidated lawsuits captioned *Keith Yaeger, et al. v. Subaru of America, Inc., et al.*, No. 1:14-cv-04490-JBS-KMW and *Robert Tedesco, Jr., et al. v. Subaru of America, Inc., et al.*, No. 1:14-cv-06317-JBS-KMW, pending in the United States District Court for the District of New Jersey.

2. **"Attorneys' Fees and Expenses"** means the amount awarded by the Court to Class Counsel to compensate them, and any other attorneys for Plaintiffs or the Settlement Class, and is inclusive of all attorneys' fees, costs, and expenses of any kind in connection with the Action. Attorneys' Fees and Expenses shall not, under any circumstances, exceed the sum of \$1,500,000.00 ("one million, five hundred thousand dollars"). Attorneys' Fees and Expenses shall be in addition to the benefits provided directly to the Settlement Class, and shall not reduce or otherwise have any effect on the benefits made available to the Settlement Class. Attorneys' Fees and Expenses shall not be meant to include the payment of service awards to settlement class representatives by Defendants, as discussed below.

3. **“Authorized Subaru Dealer”** means any Subaru retailer in the continental United States that is a signatory to an existing and effective Subaru Retailer Agreement.
4. **“Automatic Transmission”** means the 4-speed electronic, direct-control automatic transmission as well as the Subaru Lineartronic Continuously Variable Transmission (CVT) with which certain Settlement Class Vehicles are equipped.
5. **“Claim”** or **“Claim for Reimbursement”** shall mean the timely submission of the required form and proof in which a Settlement Class Member seeks to claim the reimbursement available under this Settlement Agreement.
6. **“Claim Form”** means the forms attached hereto as Exhibit E, to be sent to Settlement Class Members with the Final Notice.
7. **“Class Counsel”** shall mean those individuals appointed Interim Co-Lead Counsel by the Court on November 17, 2014: Matthew Schelkopf of Chimicles & Tikellis LLP, Richard McCune of McCuneWright, LLP, and Eric Gibbs of Girard Gibbs LLP.
8. **“Class Notice”** means the notice, substantially in the form attached hereto as Exhibit C, provided to Settlement Class Members as approved by the Court in connection with the issuance of the Preliminary Approval Order.
9. **“Court”** refers to the United States District Court for the District of New Jersey.
10. **“Defendants’ Counsel”** means Ballard Spahr LLP, 210 Lake Drive East, Suite 200, Cherry Hill, NJ 08002, who are the attorneys of record representing Subaru.
11. **“Effective Date”** means ten business days after the later of (a) the date upon which the time for seeking appellate review of the Judgment (by appeal or otherwise) shall

have expired; or (b) the date upon which the time for seeking appellate review of any appellate decision affirming the Judgment (by appeal or otherwise) shall have expired and all appellate challenges to the Judgment shall have been dismissed with prejudice without any person having further right to seek appellate review thereof (by appeal or otherwise).

12. **“Engine Low Oil-Level Warning Light”** means the yellow or amber warning light () contained in certain Settlement Class Vehicles, as described in the applicable owners’ manual, located in the instrument cluster that illuminates when the engine oil level decreases to a certain amount within the engine oil pan.

13. **“Engine Oil”** means Subaru Synthetic 0W-20 Motor Oil or equivalent SAE 0W-20 synthetic oil with the API classification SM or SN with the words “ENERGY CONSERVING” or “RESOURCE CONSERVING” and/or ILSAC GF-4 or GF-5, which can be identified with the ILSAC certification mark (*e.g.*, AMSOIL Signature Series, Castrol GTX MAGNATEC, Castrol EDGE, Mobil 1 Extended Performance, Mobil 1 Advanced Fuel Economy, Mobil 1 Super Synthetic, Pennzoil Platinum Full Synthetic, Valvoline SynPower, etc.), required for use in the Settlement Class Vehicles as stated in the applicable Owner’s Manual.

14. **“Extended Warranty”** means the terms of extended warranty coverage as described in Section V.A.1.

15. **“Fairness Hearing”** means the hearing at which the Court will consider and approve the Agreement as fair, reasonable, and adequate, certify the Class, award Attorneys’ Fees and Expenses, including settlement class representative Service Awards, enter the Final Judgment, and make such other final rulings as are contemplated by this Stipulation.

16. **“FB20 Engine”** or **“FB20”** means the 2.0 liter, four cylinder, naturally-aspirated (non-turbocharged) boxer engine bearing Subaru internal engine code FB20B, with which certain Class Vehicles were factory equipped.

17. **“FB25 Engine”** or **“FB25”** means the 2.5 liter, four cylinder, naturally-aspirated (non-turbocharged) boxer engine bearing Subaru internal engine code FB25B, with which certain Class Vehicles were factory equipped.

18. **“Final Notice”** means the notice substantially in the form attached hereto as Exhibit D, as approved by the Court, which will be provided to Settlement Class Members after the Effective Date.

19. **“In-Service Date”** shall mean the date on which a Settlement Class Vehicle was delivered to either the original purchaser or the original lessee; or if the vehicle was first placed in service as a “demonstrator” or “company” car, on the date such vehicle was first placed in service.

20. **“Judgment”** means the judgment, substantially in the form attached hereto as Exhibit A, to be entered by the Court in the Action finally approving this Agreement and dismissing the Action with prejudice.

21. **“Manual Transmission”** means the 5-speed manual transmission as well as the 6-speed manual transmission available on certain Settlement Class Vehicles.

22. **“Notice Date”** means the date by which Defendants first initiate the mailing of the notice of this Settlement to the Settlement Class. Subject to the Court’s approval, the Notice Date shall be within 100 (one hundred) days after the Court enters a Preliminary Approval Order, substantially in the form attached hereto as Exhibit B.

23. **“Oil Consumption”** refers to the alleged condition of excessive consumption of engine oil by the Class Vehicles as set out in the Action.

24. **“Oil Consumption Test”** means the diagnostic procedure performed on qualifying Settlement Class Vehicles to determine the actual rate of oil consumption in the vehicle as prescribed in the applicable Technical Service Bulletin.

25. **“Preliminary Approval Order”** means the Court’s order preliminarily approving the terms of this Agreement as fair, adequate, and reasonable, including the Court’s approval of the form and manner of giving notice to Settlement Class Members, substantially in the form attached hereto as Exhibit B.

26. **“Proof of Claim”** means documentation (such as a receipt, credit card statement, bank statement, invoice, or historical accounting records) indicating that a Settlement Class Member paid for a rental car while his or her Settlement Class Vehicle was undergoing a TSB Repair.

27. **“Proof of Purchase”** means documentation (such as a receipt, credit card statement, bank statement, invoice, or historical accounting records) indicating that a Settlement Class Member purchased qualifying Engine Oil prior to the Notice Date.

28. **“Proof of Repair Expense”** shall take the form of an original or legible copy of a receipt, invoice or other record, or some combination thereof, identifying the date of repair, the make and model of the vehicle, the vehicle identification number of the Settlement Class Vehicle, the mileage of the vehicle at the time of repair, the facility that performed the repair, a description of the work performed, including a breakdown of parts and labor costs, and proof of the sum of money paid by (or on behalf of) the Settlement Class Member, for a repair or replacement for which reimbursement is available under the terms of this Settlement.

29. **“Released Claims”** or **“Settled Claims”** means any and all claims, causes of action, demands, debts, suits, liabilities, obligations, damages, actions, rights of action, remedies of any kind and/or causes of action of every nature and description, whether known or unknown, asserted or unasserted, foreseen or unforeseen, regardless of any legal theory, existing now or arising in the future, by Plaintiffs and any and all Settlement Class Members based on Oil Consumption of Settlement Class Vehicles including claims for reimbursement for amounts spent on oil or related labor, the engines and their components, or the emissions components, as relating to Oil Consumption, whether arising under statute, including a state lemon law, rule, regulation, common law or equity, and including, but not limited to, any and all claims, causes of action, rights or entitlements under any federal, state, local or other statute, law, rule and/or regulation, any claims relating to violation of California Business and Professions Code Sections 17200-17209, California Business and Professions Code Section 17500, or the California Consumer Legal Remedies Act (California Civil Code Section 1750-1784), any consumer protection, consumer fraud, unfair business practices or deceptive trade practices laws, any legal or equitable theories, any claims or causes of action in tort, contract, products liability, negligence, fraud, misrepresentation, concealment, consumer protection, restitution, quasi contract, unjust enrichment, express warranty, implied warranty, secret warranty and/or any injuries, losses, damages or remedies of any kind, in law or in equity, under common law, statute, rule or regulation, including, but not limited to, compensatory damages, economic losses or damages, exemplary damages, punitive damages, statutory damages, restitution, recovery of attorneys’ fees or litigation costs, or any other legal or equitable relief. This release expressly exempts claims for death, personal injuries and property damage (other than damage to the Settlement Class Vehicle). Nothing in this Settlement shall be construed as a waiver, release

and/or compromise of any pending automobile lemon law lawsuit pertaining to Oil Consumption.

Settlement Class Members expressly waive the provisions of Section 1542 of the California Civil Code and understand that such section provides: “A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.”

30. **“Released Parties”** shall mean Subaru of America, Inc., Fuji Heavy Industries, Ltd., Fuji Heavy Industries, U.S.A., Inc., Subaru Research & Development, Inc., Subaru of Indiana Automotive, Inc., all designers, manufacturers, assemblers, distributors, importers, marketers, advertisers, testers, inspectors, sellers, suppliers, component suppliers, lessors, warrantors, dealers, repairers and servicers of Settlement Class Vehicles and each of their component parts and systems, all dealers, lessors and retailers of Settlement Class Vehicles, and all of the aforementioned persons’ or entities’ past and present directors, officers, shareholders, principals, partners, employees, agents, servants, assigns, representatives, attorneys, insurers, trustees, vendors, contractors, heirs, executors, administrators, successor companies, parent companies, subsidiary companies, affiliated companies, divisions, trustees, vendors and representatives.

31. **“Service Awards”** means the \$3,500 (three thousand five hundred dollars) that Defendant has agreed to pay to each of the named Plaintiffs Keith Yaeger, Michael Schuler, Joseph Montgomery, Bryan Bair, Thomas Vanlaarhoven, Laura Hegle, Kim Marie Papa, Robert Tedesco, Jr., and Natalia Tuzovskaya, who have served as putative class representatives in the Action, upon finalization of this agreement and approval by the Court.

32. "Settlement Class Vehicle" and "Vehicles" means the following

vehicles:

Vehicle	Model Year(s)	VIN	Engine Number	Transmission	Trim
Forester	2011	All	All	Manual	2.5i, 2.5i Premium, 2.5X, 2.5X Premium
	2012	All	All		
	2013	All	All		
	2014	All	All		
	2015	Below *543624	Below 1527514		
Forester	2011	All	All	Automatic or CVT	2.5i, 2.5i Premium, 2.5i Limited, 2.5i Touring, 2.5X, 2.5X Premium, 2.5X Limited, 2.5X Touring
	2012	All	All		
	2013	All	All		
	2014	Below *529004	Below 1132164		
Impreza	2012	All	All	Manual	2.0i, 2.0i Sport Premium, 2.0i Premium, 2.0i Sport
	2013	All	All		
	2014	All	All		
	2015	Below *270253	Below 1627010		
Impreza (Four Door Sedan)	2012	All	All	CVT	2.0i, 2.0i Premium, 2.0i Limited, 2.0i Sport Premium, 2.0i Sport Limited
	2013	Below *033336	Below 0930025 (FA1 Line) or 0652640 (FB2 Line)		
Impreza (Five Door Wagon)	2012	All	All	CVT	2.0i, 2.0i Premium, 2.0i Limited, 2.0i Sport Premium, 2.0i Sport Limited
	2013	Below *886714	Below 0930025 (FA1 Line) or 0652640 (FB2 Line)		
Legacy	2013	All	All	Manual	2.5i
	2014	All	All		
Legacy	2013	Below *048086	Below M151602	CVT	2.5i, 2.5i Premium, 2.5i Sport, 2.5i Limited

Outback	2013	All	All	Manual	2.5i, 2.5i Premium
	2014	All	All		
Outback	2013	Below *321435	Below M151602	CVT	2.5i, 2.5i Premium, 2.5i Limited
XV Crosstrek	2013	All	All	Manual	2.0i Premium
	2014	All	All		
	2015	Below *270284	Below 1627010		
XV Crosstrek	2013	Below *856139	Below 0930025 (FA1 Line) or 0652640 (FB2 Line)	CVT	2.0i Premium, 2.0i Limited

33. Excluded from this class action settlement are model year(s) 2011–2015 Forester 2.0XT Premium and 2.0XT Touring, 2012–2015 WRX and STI, 2013–2014 Legacy 3.6R and 3.6R Limited, 2013–2014 Outback 3.6R and 3.6R Limited, 2013-2014 Crosstrek 2.0i Hybrid and 2.0i Hybrid Touring, all BRZ models, and all Tribeca models.

34. **“Settlement Class”** means all current or former owners or lessees of Settlement Class Vehicles originally purchased or leased in the continental United States, including Alaska.

35. **“Settlement Class Member”** means a person who falls within the definition of the Settlement Class and who does not validly opt out of the Settlement Class pursuant to the procedure set forth in the Court’s Preliminary Approval Order.

36. **“Technical Service Bulletin”** or **“TSB”** means the documents issued by Subaru (numbered 02-143-13, 02-143-13R, 02-144-13, 02-144-13R, 02-145-13, 02-145-13R, 02-147-13, 02-147-13R, 02-157-14, 02-157-14R, 11-145-14, 11-145-14R, 11-148-14, 11-148-14R, 11-149-14, 11-149-14R, 11-150-14, and 11-150-14R), which provide Authorized Subaru Dealers with the recommended oil consumption diagnostic and repair procedures for Settlement Class Vehicles.

37. “**TSB Repair**” means any repair performed by an Authorized Subaru Dealer in conformance with a Technical Service Bulletin as defined in Section II.35.

38. “**Unknown Claims**” means any Released Claim that any Plaintiff or Settlement Class Member does not know or suspect to exist in his, her or its favor at the time of the release provided for herein, including without limitation those that, if known to him, her or it, might have affected his, her or its settlement and release pursuant to the terms of this Agreement, or might have affected his, her or its decision not to object to the settlement terms memorialized herein. Settlement Class Members expressly waive the provisions of Section 1542 of the California Civil Code and understand that such section provides: “A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.”

III. ESTABLISHMENT OF A SETTLEMENT CLASS

39. The Parties stipulate to certification, for settlement purposes only, of a Settlement Class defined as follows:

All residents of the continental United States who currently own or lease, or previously owned or leased, a Settlement Class Vehicle originally purchased or leased in the continental United States, including Alaska. Excluded from the Settlement Class are Subaru, Subaru’s employees, employees of Subaru’s affiliated companies, Subaru’s officers and directors, dealers that currently own Settlement Class Vehicles, all entities claiming to be subrogated to the rights of Settlement Class Members, issuers of extended vehicle warranties, and any Judge to whom the Litigation is assigned.

40. Solely for purposes of implementing this Settlement Agreement and effectuating the settlement, Subaru stipulates to the Court entering an order preliminarily certifying the Settlement Class, appointing named Plaintiffs Keith Yaeger, Michael Schuler,

Joseph Montgomery, Bryan Bair, Thomas Vanlaarhoven, Laura Hegle, Kim Marie Papa, Robert Tedesco, Jr., and Natalia Tuzovskaya as representatives of the Settlement Class, and appointing Class Counsel to serve as counsel for the Settlement Class.

41. Solely for the purpose of implementing this Settlement Agreement and effectuating the settlement, the Parties stipulate that Subaru will be appointed as Settlement Administrator, subject to the approval of the Court.

42. Solely for the purpose of implementing this Settlement Agreement and effectuating the settlement, Subaru stipulates that Named Plaintiffs Keith Yaeger, Michael Schuler, Joseph Montgomery, Bryan Bair, Thomas Vanlaarhoven, Laura Hegle, Kim Marie Papa, Robert Tedesco, Jr., and Natalia Tuzovskaya, and Class Counsel are adequate representatives of the Settlement Class.

IV. DISCLAIMER OF LIABILITY

Neither the fact of, nor any provision contained in this Agreement, nor any action taken hereunder, shall constitute, or be construed as, any admission of the validity of any claim or any fact alleged in the Action or of any wrongdoing, fault, violation of law or liability of any kind on the part of Defendants and the Released Parties, or any admissions by Defendants and the Released Parties of any claim or allegation made in any action or proceeding against them. The Parties understand and agree that neither this Agreement, nor the negotiations that preceded it, shall be offered or be admissible in evidence against Defendants, the Released Parties, the Plaintiffs, or the Settlement Class Members, or cited or referred to in the Action or any action or proceeding, except in an action or proceeding brought to enforce the terms of this Agreement.

V. SETTLEMENT CONSIDERATION

In consideration for the full and complete Release of all Released Claims against all Released Parties, and the dismissal of the Action with prejudice, Defendants agree to provide the following consideration to the Settlement Class.

A. **Warranty Extension for Current Owners or Lessees.**

1. Effective on the Notice Date, Subaru will extend its existing express Powertrain Limited Warranty, applicable to the Settlement Class Vehicles, to cover repairs by an Authorized Subaru Dealer as needed to correct excessive Oil Consumption, established by an Oil Consumption Test, to a period of either:

- (a) Eight (8) years or one hundred thousand (100,000) miles (whichever occurs first) from the In-Service Date of the Settlement Class Vehicle; OR
- (b) If the Settlement Class Vehicle has exceeded eight (8) years or one hundred thousand (100,000) miles on the Notice Date, for a duration of one (1) year from the Notice Date without regard to mileage.

2. The Extended Warranty will cover all costs associated with Oil Consumption Tests and TSB Repairs performed by Authorized Subaru Dealers pursuant to the Extended Warranty.

3. Any repairs performed pursuant to the Extended Warranty during the notice period shall preclude the Settlement Class Member who received such repairs from opting out of the Settlement Class.

4. The Extended Warranty is subject to the same terms and conditions set forth in the Settlement Class Vehicle's Powertrain Limited Warranty and Warranty and

Maintenance Booklet, except as specifically modified herein. For example, as set forth in the original express limited warranty, damages resulting from abuse, alteration, or modification, a collision or crash, vandalism and/or other impact shall be excluded and not covered by the Extended Warranty.

5. Nothing in this Settlement Agreement will be construed as adding to, diminishing, or otherwise affecting any express or implied warranty, duty, or contractual obligation of Subaru in connection with the Settlement Class Vehicles, except as it relates to Oil Consumption as set forth herein.

6. Subaru may continue to implement any customer satisfaction or goodwill policy, program, or procedure at its discretion, and may extend goodwill consideration to individual Settlement Class Members on a case-by-case basis, without regard to their entitlement to relief under the Settlement Agreement, except that in no case shall a Settlement Class Member obtain more than one recovery (*i.e.*, any goodwill or other payment will reduce or eliminate the right to recover for the same benefit previously provided) for any Oil Consumption during the Extended Warranty for any Settlement Class Vehicle. No such goodwill decision by Subaru shall act to deprive a Settlement Class Member of the benefits available under the Settlement Agreement.

B. Reimbursement for TSB Repairs Performed Prior to the Notice Date.

1. Subject to the proof and conditions required in Section V.B.3. below, a Settlement Class Member who has not already been reimbursed by Subaru or a third party, will be entitled to reimbursement of one hundred percent (100%) of the out-of-pocket expenses (parts and labor) that he or she has actually paid for any necessary Oil Consumption Test (as defined in Section II.24. of this Agreement) or TSB Repair (as defined in Section II.36. of this Agreement) performed on a Settlement Class Vehicle prior to the expiration of

the Extended Warranty period. Reimbursements are contingent upon the Court's final approval of this Settlement Agreement.

2. A Settlement Class Member will not be eligible for reimbursement under this Section if the Vehicle's service documentation indicates that the TSB Repair was due to lack of, or insufficient, engine maintenance or failure to comply with the oil and oil filter maintenance requirements and time/mileage schedule of the vehicle's Warranty Maintenance Booklet and Owners' Manual.

3. The following proof must be submitted, and conditions satisfied, in order for a Settlement Class Member to be eligible for a reimbursement under Section V.B.1. of this Agreement:

(a) A Claim is mailed to Subaru, post-marked no later than ninety (90) days after the Notice Date.

(b) The Claim contains a properly completed Claim Form.

(c) If the claimant is not a person to whom the Claim Form was addressed, and/or the vehicle with respect to which a Claim is made is not the vehicle identified by VIN number on the mailed Claim Form, the Claim contains proof that the claimant is in fact a Settlement Class Member.

(d) The Claim contains the proper Proof of Repair Expense demonstrating the Settlement Class Member's right to receive a one hundred percent (100%) reimbursement under the terms of this Settlement Agreement.

(e) The Settlement Class Member has not previously been reimbursed by Subaru, an Authorized Subaru Dealer, or any third party, by any means, including but not limited to Subaru Added Security or other extended warranty provider, for

expenses provided by the Settlement. If a Settlement Class Member has previously received partial reimbursement for such expenses, then a claim may be made pursuant to this Settlement for only the unreimbursed portion of those expenses.

(f) The TSB Repair was not performed as a result of engine damage due to abuse, alteration or modification, a collision or crash, vandalism and/or other impact.

C. Free Oil Consumption Test and TSB Repair for Class Vehicles if Certain Conditions are Satisfied.

1. Effective on the Notice Date, all Settlement Class Members who are current owners or lessees of Settlement Class Vehicles who can satisfy the conditions set forth in Section V.C.2. of this Agreement may have Oil Consumption Tests performed, free of charge, by an Authorized Subaru Dealer through the duration of the Extended Warranty.

2. Settlement Class Members who wish to have an Oil Consumption Test performed must present their Vehicle to an Authorized Subaru Dealer and demonstrate that:

(a) For Model-Year 2011, 2012, and 2013 Forester vehicles without an Engine Low Oil-Level Warning Light, the engine oil level, as measured on the engine oil dipstick, falls at or below the “ADD” Mark within 4,000 miles after the previous oil change; or

(b) For all other Settlement Class Vehicles, the Engine Low Oil-Level Warning Light is illuminated within 5,000 miles of the previous oil change.

3. Provided the conditions of Section V.C.2. of this Agreement are satisfied, Settlement Class Members may receive free Oil Consumption Tests at any time during the Extended Warranty period.

4. A Settlement Class Vehicle is considered to have failed the Oil Consumption Test if the Authorized Subaru Dealer confirms that the Vehicle consumes more than one-third (1/3) of a quart of Engine Oil in 1,200 miles.

5. If a Settlement Class Vehicle fails an Oil Consumption Test, a Subaru Authorized Dealer will perform the applicable TSB Repair at no cost to the Settlement Class Member.

D. Reimbursement for Additional Engine Oil Purchased Prior to Notice Date if Certain Conditions are Satisfied.

1. Subject to the proof and conditions required in Section V.D.2. below, a Settlement Class Member, who has not already been reimbursed by Subaru or a third-party, will be entitled to one hundred percent (100%) reimbursement, on a claims made basis, for the cost of additional Engine Oil up to a maximum of six (6) quarts.

2. The following conditions apply to the reimbursement of costs for additional Engine Oil:

(a) Reimbursement eligibility is limited to one (1) quart of Engine Oil for every 10,000 odometer miles during the first 60,000 odometer miles on the Settlement Class Vehicle.

(b) Proof of Purchase must be submitted.

(c) The Settlement Class Member must complete the certification form, attached as Exhibit E, swearing that the Settlement Class Vehicle was presented to an Authorized Subaru Dealer for a claim of Oil Consumption, or that the Settlement Class Member is a member of the United States armed forces, and was stationed, with the Settlement Class Vehicle, outside of the continental United States at the time the claimed expenses were incurred.

3. Reimbursements are contingent upon the Court's final approval of this Settlement Agreement.

E. Reimbursement for Towing Costs and/or Cost of Rental Vehicles Incurred as a Result of Oil Consumption Related Repair.

1. Upon sufficient Proof of Claim, Subaru agrees to reimburse former and current owners and lessees of Settlement Class Vehicles for towing costs and/or rental car expenses related to a TSB Repair performed prior to the conclusion of the Extended Warranty period.

2. If a Settlement Class Vehicle must be towed to an Authorized Subaru Dealer, and the dealer is able to confirm that the towing was necessitated by excessive oil consumption, then the Settlement Class Member, upon sufficient Proof of Claim, may be reimbursed for the cost of towing the vehicle to the nearest Authorized Subaru Dealer.

3. If a Settlement Class Vehicle requires a TSB Repair from an Authorized Subaru Dealer, and that repair requires more than two (2) full days in a single repair period, the Settlement Class Member, upon sufficient Proof of Claim may be reimbursed for the cost of a rental car, up to forty-five (\$45) dollars per day for a maximum of two (2) days.

F. Costs of Administration and Notice

The Parties agree that Defendants shall be responsible for the costs of Class Notice and settlement administration. The Plaintiffs retain the right to audit and review the handling of the claims by Subaru.

VI. CLAIMS ADMINISTRATION

A. Administration

1. For each approved Claim for Reimbursement, Subaru shall mail to the Settlement Class Member, at the address listed on the Claim Form, a reimbursement check for one hundred percent (100%) of the unreimbursed permissible expense paid by (or on behalf of) the Settlement Class Member, to be sent within sixty (60) after receipt of the Claim, or within sixty (60) days of the Effective Date, whichever is later.

2. For any Claim for Reimbursement that qualifies for less than the full amount of the one hundred percent (100%) reimbursement sought by the Settlement Class Member, Subaru shall, within the period set forth in Section VI.A.1. above, mail to the Settlement Class Member, at the address listed on the Claim Form, a “Claim Decision and Option Selection Form” (substantially in the form attached hereto as Exhibit F) stating:

- (a) That a partial reimbursement has been awarded;
- (b) The amount of the proposed reimbursement;
- (c) Whether rejection of the reimbursement sought was based on:
 - (i) Lack of or insufficient Proof of Repair Expense and/or other required proof;
 - (ii) Error in the Claim Form; or
 - (iii) Any other applicable reason impacting payment of the full amount of the one hundred percent (100%) reimbursement sought by the Settlement Class Member.
- (d) the Settlement Class Member’s right to a Second Review of

Subaru’s decision, as described in Section VI.B.; and

(e) the Settlement Class Member's right to attempt to cure the deficiency, except for a deficiency related to a Claim Form that is postmarked after the deadline for submitting a Claim.

3. Any Settlement Class Member who receives a Claim Decision and Option Selection Form under Section VI.A.2, notifying him or her of his or her right to Second Review, may:

(a) Attempt to cure the deficiency stated by mailing the information and/or documentation identified as lacking in the Claim, postmarked within thirty (30) days of receipt of the letter. Within seventy-five (75) days of receiving a cure attempt under this paragraph, or within sixty (60) days of the Effective Date, whichever is later, Subaru will either pay the full amount of the one hundred percent (100%) reimbursement if the cure information and/or documentation satisfies the criteria for said reimbursement under this Agreement or will notify the Settlement Class Member by mail that the Claim has been finally denied and advising of the right to a Second Review;

(b) Initiate a Second Review of Subaru's decision by completing and mailing the Claim Decision and Option Selection Form, postmarked within thirty (30) days of receipt of the letter (or within thirty (30) days of receipt of written denial following a cure attempt under Section VI.A.3(a)); or

(c) Accept the reimbursement offered, which acceptance will be presumed if no completed Claim Decision and Option Selection Form or cure attempt is received by Subaru within thirty (30) days of receipt of the letter.

4. If a Settlement Class Member accepts the reimbursement offer under Section VI.A.3(c), Subaru shall mail the Settlement Class Member a reimbursement check

within sixty (60) days of the Effective Date or within forty-five (45) days after receipt of said acceptance by Subaru (determined either by Subaru's receipt of the completed Claim Decision and Option Selection Form from the Settlement Class Member accepting the reimbursement offered, or by the expiration of the above-referenced period of time in which acceptance will be presumed), whichever occurs later.

B. Second Review

1. A Settlement Class Member who initiates a Second Review may:
 - (a) rely solely on the documents submitted with the Claim; or
 - (b) also submit a written statement in advance of Subaru's Second Review.
2. In each Second Review, Subaru shall review the decision with regard to the reimbursement, including the criteria required under this Settlement Agreement.
3. The Second Review will be made by a senior level employee of Subaru who is a different employee from the one that made the initial determination. His or her Second Review will be independent of the initial review, and will not involve consultation with the employee who made the initial determination.
4. The reviewer will review Subaru's initial determination and independently determine, based upon the claim and proof submitted by the Settlement Class Member, whether the initial determination should be adjusted. The reviewer will have the authority to increase the reimbursement amount originally offered up to the full amount of the one hundred percent (100%) reimbursement sought, if the Settlement Class Member's Claim meets the requirements under this Agreement for justifying that amount. Under no circumstance shall the second reviewer decrease the reimbursement amount previously offered.

5. The Second Review determination, along with any applicable payment, will be mailed to the Settlement Class Member within forty-five (45) days of the date in which the request for a Second review was received by Subaru, or within sixty (60) days of the Effective Date, whichever is later, along with any supporting documentation. The Second Review determination will state the reason(s) why the initial determination was either modified or not changed. Subaru's decision shall be final and not appealable unless the Settlement Class Member submits the claim to the Better Business Bureau for resolution as described in Section VI.C. of this Agreement.

6. Class Counsel will have the right to reasonably monitor the claims administration process and ensure that Subaru is acting in accordance with the Settlement Agreement.

7. Defendants shall bear all costs of the Second Review.

C. Better Business Bureau Appeals

1. In the event a Settlement Class Member wishes to appeal Subaru's Second Review determination, the Settlement Class Member may appeal the determination to the Better Business Bureau ("BBB"). Any appeal to the BBB must be made within thirty (30) days following the date of Subaru's Second Review determination and any decision by the BBB will be final and binding upon both parties.

2. Subaru will pay any cost charged by the BBB for resolving the dispute. Each party shall be responsible for paying his, her, or its own attorneys' fees and other expenses in the event they decide to retain counsel in connection with any proceeding before the BBB.

3. Class Counsel will have no obligation to represent a Settlement Class Member in connection with a BBB appeal.

VII. CLASS NOTICE AND PUBLICATION

D. To Attorney General

In compliance with the Attorney General notification provision of the Class Action Fairness Act, 28 U.S.C. § 1715, Defendants shall provide notice of this proposed Settlement to the Attorney General of the United States, and the Attorneys General of each state in which a Settlement Class Member resides.

E. To Settlement Class

1. Subaru, as the claims administrator, shall be responsible for the following Settlement Class Notice program:

(a) Within one hundred (100) days after entry of the Preliminary Approval Order discussed in Section XI.A. of this Agreement, Subaru shall cause individual notice, substantially in the form attached hereto as Exhibit C, together with the Claim Form and Request for Exclusion Form, to be mailed, by first class mail, to the current or last known addresses of all reasonably identifiable Settlement Class Members. Defendants may format the Class Notice in such a way as to minimize the cost of the mailing, so long as Settlement Class Members can reasonably read it and Class Counsel approves all changes and formatting prior to mailing. Subaru shall be responsible for dissemination of the Class Notice.

(b) For purposes of identifying Settlement Class Members, Subaru shall obtain from R.L. Polk & Co. the names and current or last known addresses of Settlement Class Vehicle owners and lessees that can reasonably be obtained, and the Vehicle Identification Numbers (VINs) of Settlement Class Vehicles.

(c) Prior to mailing the Class Notice, an address search through the United States Postal Service's National Change of Address database will be conducted to update the address information for Settlement Class Vehicle owners and lessees. For each

individual Class Notice that is returned as undeliverable, Subaru shall re-mail all Class Notices where a forwarding address has been provided. For the remaining undeliverable notice packets where no forwarding address is provided, Subaru shall perform an advanced address search (e.g. a skip trace) and re-mail any undeliverable to the extent any new and current addresses are located.

(d) Subaru shall diligently, and/or as reasonably requested by Class Counsel, report to Class Counsel the number of individual Class Notices originally mailed to Settlement Class Members, the number of individual Class Notices initially returned as undeliverable, the number of additional individual Class Notices mailed after receipt of a forwarding address, and the number of those additional individual Class Notices returned as undeliverable.

(e) Subaru shall, upon request, provide Class Counsel with the names and addresses of all Settlement Class Members to whom Subaru sent a Class Notice pursuant to this section.

- (f) Subaru shall implement a Settlement website containing:
- (i) instructions on how to submit a Claim for reimbursement;
 - (ii) instructions on how to contact Subaru and Class Counsel for assistance;
 - (iii) a copy of the Claim Form, Class Notice and this Settlement Agreement; and
 - (iv) any other relevant information agreed upon by counsel for the Parties.

2. No later than ten (10) days before the Fairness Hearing, Subaru shall provide an affidavit to Class Counsel, attesting that the Class Notice was disseminated in a manner consistent with the terms of this Agreement or those required by the Court.

VIII. RESPONSE TO NOTICE

F. **Objection to Settlement**

1. Any Settlement Class Member who intends to object to the fairness of this Settlement Agreement must, by the date specified in the Preliminary Approval Order and recited in the Class Notice, file any such objection via the Court's electronic filing system, and if not filed via the Court's electronic system, must mail, postmarked by the date specified in the Preliminary Approval Order, the objection to the Court, and serve by first-class mail copies of the objection upon:

Matthew D. Schelkopf
Chimicles & Tikellis LLP
One Haverford Centre
361 West Lancaster Ave
Haverford, Pennsylvania 19041

Michael R. Carroll
Ballard Spahr, LLP
210 Lake Drive East
Suite 200
Cherry Hill, New Jersey 08002

2. Any objecting Settlement Class Member must include with his or her objection:

(a) the objector's full name, current address, and telephone number,

(b) the model, model year, date of acquisition and vehicle

identification number of the Settlement Class Vehicle, along with proof that the objector has owned or leased the Settlement Class Vehicle (i.e., a true copy of a vehicle title, registration, or license receipt);

(c) state that the objector has reviewed the Settlement Class definition and understand in good faith that he or she is a Settlement Class Member;

(d) a written statement of all grounds for the objection accompanied by any legal support for such objection;

(e) copies of any papers, briefs, or other documents upon which the objection is based and are pertinent to the objection; and

(f) state whether the Settlement Class Member complained to Defendants or a Subaru dealer about Oil Consumption or has had any Oil Consumption related repairs and, if so, provide evidence of any such complaint or repairs.

3. In addition, any Settlement Class Member objecting to the settlement shall provide a list of all other objections submitted by the objector, or the objector's counsel, to any class action settlements submitted in any state or federal court in the United States in the previous five (5) years, including the full case name with jurisdiction in which it was filed and the docket number. If the Settlement Class Member or his, her or its counsel has not objected to any other class action settlement in the United States in the previous five (5) years, he or she shall affirmatively so state in the objection.

4. Moreover, subject to the approval of the Court, any objecting Settlement Class Member may appear, in person by counsel, at the final fairness hearing to explain why the proposed settlement should not be approved as fair, reasonable, and adequate, or to object to any petitions for Class Counsel Fees and Expenses or Service Awards. If the objecting Settlement Class Member intends to appear at the final fairness hearing, the objecting Settlement Class Member must file with the Clerk of the Court and serve upon all counsel designated in the Notice a notice of intention to appear at the fairness hearing by the

objection deadline as specified in the Preliminary Approval Order. The notice of intention to appear must include copies of any papers, exhibits, or other evidence and identity of witnesses that the objecting Settlement Class Member (or the objecting Settlement Class Member's counsel) will present to the Court in connection with the fairness hearing. A Settlement Class Member who fails to adhere to the requirements of this section may be deemed to have waived any objections to the settlement, any adjudication or review of the Settlement, by appeal or otherwise, and/or any right to appear at the fairness hearing.

5. Upon the filing of an objection, Class Counsel and Defendants' Counsel may take the deposition of the objecting Settlement Class Member pursuant to the Federal Rules of Civil Procedure at an agreed-upon time and location, and to obtain any evidence relevant to the objection. Failure by an objector to make himself or herself available for deposition or comply with expedited discovery may result in the Court striking the objection. The Court may tax the costs of any such discovery to the objector or the objector's counsel if the Court determines that the objection is frivolous or is made for an improper purpose.

G. Request for Exclusion from the Settlement

1. Any Settlement Class Member who wishes to be excluded from the Settlement Class must submit a request for exclusion ("Request for Exclusion"), substantially in the form attached hereto as Exhibit G, to Subaru at the address specified in the Class Notice by the date specified in the Preliminary Approval Order and recited in the Class Notice. To be effective, the Request for Exclusion must be sent to the specified address and:

(a) include the Settlement Class Member's full name, current address and telephone number;

(b) identify the model, model year, date of acquisition and vehicle identification number of the Settlement Class Vehicle; and

(c) specifically and unambiguously state in writing his or her desire to be excluded from the Settlement Class and election to be excluded from any judgment entered pursuant to the settlement.

2. Any Settlement Class Member who obtains relief pursuant to the terms of this Settlement Agreement after the receipt of the Class Notice gives up the right to exclude him or herself from this settlement.

3. Any request or exclusion must be postmarked on or before the deadline set by the Court, which date shall be approximately forty-five (45) days after the date of the mailing of Notice to Settlement Class Members. Any Settlement Class Member, who fails to submit a timely and complete Request for Exclusion sent to the proper address, shall be subject to and bound by this Settlement Agreement, the Release and every order or judgment entered relating to this Settlement Agreement.

4. Subaru will receive Requests for Exclusion and will follow guidelines developed jointly by Class Counsel and Defendants' counsel for determining whether they meet the requirements of a Request for Exclusion. Any communications from Settlement Class Members (whether styled as an exclusion request, an objection or a comment) as to which it is not readily apparent whether the Settlement Class Member meant to exclude himself or herself from the Settlement Class will be evaluated jointly by counsel for the Parties, who will make a good faith evaluation, if possible, and may contact the Settlement Class Member for clarification, if appropriate. Any uncertainties about whether a Settlement Class Member is requesting exclusion from the Settlement Class will be submitted to the

Court for resolution. Subaru will maintain a database of all Requests for Exclusion, and will send the original written communications memorializing those Requests for Exclusion to Class Counsel. Subaru shall report the names and addresses of all such persons and entities requesting exclusion to the Court and Class Counsel within seven (7) days prior to the Final Hearing, and the list of persons and entities deemed by the Court to have excluded themselves from the Settlement Class will be attached as an exhibit to the Final Order and Judgment.

Objections and Requests for exclusions shall be permitted on an individual basis only. Any purported “class-wide” objections or opt-outs will construed as being submitted on behalf of the person(s) signing them only.

IX. WITHDRAWAL FROM SETTLEMENT

43. Plaintiffs or Defendants shall have the option to withdraw from this Settlement Agreement, and to render it null and void if any of the following occurs:

(a) Any objection to the proposed settlement is sustained and such objection results in changes to this Agreement that the withdrawing party deems in good faith to be material (e.g., because it substantially increases the costs of the Settlement, or deprives the withdrawing party of a material benefit of the Settlement; a mere delay of the approval and/or implementation of the Settlement including a delay due to an appeal procedure, if any, shall not be deemed material);

(b) The preliminary or final approval of this Settlement Agreement is not obtained without modification, and any modification required by the Court for approval is not agreed to by both Parties, and the withdrawing party deems any required modification in good faith to be material (e.g., because it increases the cost of the Settlement, or deprives the withdrawing party of a benefit of the Settlement); a mere delay of the approval and/or

implementation of the Settlement including a delay due to an appeal procedure, if any, shall not be deemed material);

(c) Entry of the Final Order and Judgment described in this Agreement is vacated by the Court or reversed or substantially modified by an appellate court; or

(d) If one thousand (1,000) Class Members properly and timely exercise their right to opt out of the settlement, Defendants or Plaintiffs shall have the right to terminate this Settlement Agreement without penalty or sanctions, without prejudice to its position on the issue of class certification and the amenability of the claims asserted in the Action to class treatment, and the Parties shall be restored to their litigation position existing immediately before the execution of this Settlement Agreement.

44. To withdraw from this Settlement Agreement under this paragraph, the withdrawing party must provide written notice to the other party's counsel and to the Court within ten (10) business days of receipt of any order or notice of the Court modifying, adding or altering any of the material terms or conditions of this agreement. In the event either party withdraws from the Settlement, this Settlement Agreement shall be null and void, shall have no further force and effect with respect to any party in the Action, and shall not be offered in evidence or used in the Action or any other litigation for any purpose, including the existence, certification or maintenance of any purported class. In the event of such withdrawal, this Settlement Agreement and all negotiations, proceedings, documents prepared and statements made in connection herewith shall be inadmissible as evidence and without prejudice to the Defendants and Plaintiffs, and shall not be deemed or construed to be an admission or confession by any party of any fact, matter or proposition of law, and shall not be used in any manner for any purpose, and all parties to the Action shall stand in the same position as if this Settlement

Agreement had not been negotiated, made or filed with the Court. Upon withdrawal, either party may elect to move the Court to vacate any and all orders entered pursuant to the provisions of this Settlement Agreement.

45. A change in law, or change of interpretation of present law, that affects this Settlement shall not be grounds for withdrawal from the Settlement.

X. ADMINISTRATIVE OBLIGATIONS

46. In connection with the administration of the Settlement, Subaru shall maintain a record of all contacts from Settlement Class Members regarding the Settlement, any claims submitted pursuant to the Settlement and any responses thereto. Subaru, on a monthly basis, shall provide to Class Counsel an information summary concerning the number of claims made, number of claims validated, number of returned claims for incompleteness, and total amount of payouts on claims made such that Class Counsel may inspect and monitor the claims process.

47. Except as otherwise stated in this Agreement, all expenses incurred in administering this Settlement Agreement, including, without limitation, the cost of the Class Notice, and the cost of distributing and administering the benefits of the Settlement Agreement, shall be paid by Defendants.

XI. SETTLEMENT APPROVAL PROCESS

H. Preliminary Approval of Settlement

Promptly after the execution of this Agreement, Class Counsel shall present this Agreement to the Court, along with a motion requesting that the Court issue a Preliminary Approval Order substantially in the form attached as Exhibit B.

I. Final Approval of Settlement

If this Agreement is preliminarily approved by the Court, Class Counsel shall present a motion requesting that the Court issue a Final Order and Judgment directing the entry of judgment pursuant to Fed. R. Civ. P. 54(b) substantially in the form attached as Exhibit A.

XII. FORM AND SCOPE OF JUDGMENT

48. Upon the Effective Date, the Plaintiffs and each Settlement Class Member shall be deemed to have, and by operation of the Final Order and Judgment shall have, fully and completely released, acquitted and discharged the Released Parties from all Released Claims.

49. Upon the Effective Date, with respect to the Released Claims, the Plaintiffs and Settlement Class Members expressly waive and relinquish, to the fullest extent permitted by law, the provisions, rights, and benefits of §1542 of the California Civil Code, which provides: “A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.”

50. Upon the Effective Date, the Action will be deemed dismissed with prejudice.

XIII. ATTORNEYS’ FEES, COSTS, AND SERVICE AWARDS

51. The Parties agree that Class Counsel may apply to the Court for an award of reasonable attorneys’ fees and expenses, inclusive of costs up to, but not to exceed, the total combined sum of \$1,500,000 (one million five hundred thousand dollars). Defendants will not oppose Class Counsel’s application for Attorneys’ Fees and Expenses up to and not exceeding the above amounts, and Class Counsel may not be awarded, and shall not accept, any amount for attorneys’ fees and expenses in excess of the above amounts. Each party shall have the right of appeal to the extent the award is inconsistent with this Agreement. Attorneys’ Fees and

Expenses shall be in addition to the benefits provided directly to the Settlement Class (and shall be in addition to the class representative Service Awards), and shall not reduce or otherwise have any effect on the benefits made available to the Settlement Class.

52. Upon finalization of this Settlement Agreement, the Parties have agreed that Defendants will not oppose Plaintiffs' request, made as part of the Fee and Expense Application, that Defendants separately pay service awards of \$3,500 (three thousand five hundred dollars) to each of the named Plaintiffs Keith Yaeger, Michael Schuler, Joseph Montgomery, Bryan Bair, Thomas Vanlaarhoven, Laura Hegle, Kim Marie Papa, Robert Tedesco, Jr., and Natalia Tuzovskaya, who have served as putative class representatives in the Action.

53. The Attorneys' Fees and Expenses and settlement class representative service awards shall be paid by wire transfer, check or other mutually agreeable fashion to the designated Class Counsel payee ("Class Counsel payee") within ten (10) days of the Effective Date or of the first date after all appellate rights with respect to the Attorney Fees and Expenses and settlement class representative service awards have expired or been fully resolved, whichever occurs later. Payment to the Class Counsel payee shall fully satisfy and discharge all obligations of Subaru with respect to payment of the Attorneys' Fees and Expenses and settlement class representative service awards.

54. The Class Counsel payee will be selected by Class Counsel within ten (10) days after the date the Final Approval Order is entered. The Class Counsel payee shall distribute Attorneys' Fees and Expenses awarded by the Court between and among Class Counsel as Class Counsel mutually agree amongst themselves.

55. The procedure for the grant, denial, allowance or disallowance by the Court of the Attorneys' Fee and Expenses application are not part of the Settlement, and are to be considered by the Court separately from the Court's consideration of the fairness, reasonableness and adequacy of the Settlement. Any order or proceedings relating solely to the Fee and Expense Application, or any appeal from any order related thereto or reversal or modification thereof, will not operate to terminate or cancel this Agreement, or affect or delay the Effective Date of this Agreement. Payment of Attorneys' Fees and Expenses and the settlement class representatives' service awards will not reduce the benefit being made available to the Settlement Class Members, and the Settlement Class Members will not be required to pay any portion of the settlement class representatives' service awards or Attorneys' Fees and Expenses.

56. The Parties agree that Defendants are in no way liable for any taxes Class Counsel, Plaintiffs, Settlement Class Members, or others may be required to pay as a result of the receipt of settlement benefits.

XIV. MISCELLANEOUS PROVISIONS

J. Publicity

The Parties agree that other than the Subaru website provided in Section VII.B.1(f), no press releases or other publicity will be prepared or proceed by the Parties or counsel. Nothing in this Agreement shall preclude Class Counsel from establishing and maintaining, at their own expense, an internet presence referencing their role as Class Counsel in the Action and that a settlement has been reached with a hyperlink to the settlement website. Class counsel may only reference the Action to the extent and in the manner for which they received Defendants' prior written approval, which approval shall be reasonably provided within five (5) business days. In no event shall any reference be made to information designated as "Confidential."

K. Effect of Exhibits

The exhibits to this Agreement are an integral part of the settlement and are expressly incorporated and made a part of this Agreement.

L. Entire Agreement

This Agreement represents the entire agreement and understanding among the Parties and supersedes all prior proposals, negotiations, agreements and understandings relating to the subject matter of this Agreement. The Parties acknowledge, stipulate, and agree that no covenant, obligation, condition, representation, warranty, inducement, negotiation or understanding concerning any part or all of the subject matter of this Agreement has been made or relied on except as expressly set forth in this Agreement. No modification or waiver of any provisions of this Agreement shall in any event be effective unless the same shall be in writing and signed by the person or party against whom enforcement of the Agreement is sought.

M. Arm's-Length Negotiations and Good Faith

The Parties have negotiated all of the terms and conditions of this Agreement at arm's length. The Parties agree that during the course of this Litigation, the Parties and their respective counsel have acted in good faith. All terms, conditions and exhibits in their exact form are material and necessary to this Agreement and have been relied upon by the Parties in entering into this Agreement. The Parties agree to act in good faith during the claims administration process.

N. Continuing Jurisdiction

The Parties agree that the Court may retain continuing and exclusive jurisdiction over them, including all Settlement Class Members, for the purpose of the administration and enforcement of this Agreement.

O. Binding Effect of Settlement Agreement

This Agreement shall be binding upon and inure to the benefit of the Parties and their representatives, attorneys, heirs, successors and assigns.

P. Extensions of Time

The Parties may agree upon a reasonable extension of time for deadlines and dates reflected in this Agreement, without further notice (subject to Court approval as to Court dates).

Q. Authority to Execute Settlement Agreement

Each counsel or other person executing this Agreement or any of its exhibits on behalf of any party hereto warrants that such person has the authority to do so.

R. Return of Confidential Materials

All documents and information designated as “confidential” and produced or exchanged in the Action, shall be returned or destroyed in accordance with the terms of the Discovery Confidentiality Order entered in the Action on April 15, 2015.

S. No Assignment

The Parties represent and warrant that they have not assigned or transferred, or purported to assign or transfer, to any person or entity, any claim or any portion thereof or interest therein, including, but not limited to, any interest in the litigation or any related action.

T. No Third-Party Beneficiaries

This Agreement shall not be construed to create rights in, or to grant remedies to, or delegate any duty, obligation or undertaking established herein to any third party (other than Settlement Class Members themselves) as a beneficiary of this Agreement.

U. Construction

The determination of the terms and conditions of this Agreement has been by mutual agreement of the Parties. Each Party participated jointly in the drafting of this

Agreement and, therefore, the terms and conditions of this Agreement are not intended to be, and shall not be, construed against any Party by virtue of draftsmanship.

V. Captions

The captions or headings of the sections and paragraphs of this Agreement have been inserted for convenience of reference only and shall have no effect upon the construction or interpretation of any part of this Agreement.

APPROVED AND AGREED TO BY AND ON BEHALF OF PLAINTIFFS

Date: October __, 2015

CHIMICLES & TIKELLIS LLP

By: _____
Matthew Schelkopf

GIRARD GIBBS LLP

By: _____
Eric Gibbs

MCCUNE WRIGHT, LLP

By: _____
Richard McCune

Interim Co-Lead Counsel for Plaintiffs and the Putative Class

See direct signatures attached hereto.

APPROVED AND AGREED TO BY AND ON BEHALF OF DEFENDANT, SUBARU OF AMERICA, INC.

November
Dated: ~~October~~ 17, 2015

By: _____
[Signature]

Title: *VICE PRESIDENT - PARTS & SERVICE*

APPROVED AND AGREED TO BY AND ON BEHALF OF DEFENDANT, FUJI HEAVY INDUSTRIES, LTD.

December
Dated: ~~October~~ 7, 2015

By: _____
[Signature]
Michael R. Carroll

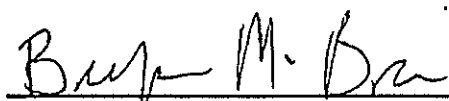
Title: *Counsel for Defendant Fuji Heavy Industries, Ltd.*

Representative Plaintiffs:

Keith Yaeger

Michael Schuler

Joseph Montgomery


Bryan Baird

Thomas Vanlaarhoven

Laura Hegle

Kim Marie Papa

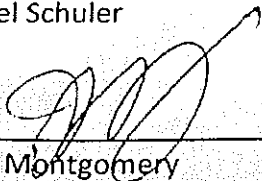
Robert Tedesco, Jr.

Natalia Tuzovskaya

Representative Plaintiffs:

Keith Yaeger

Michael Schuler



Joseph Montgomery

Bryan Bair

Thomas Vanlaarhoven

Laura Hegle

Kim Marie Papa

Robert Tedesco, Jr.

Natalia Tuzovskaya

Representative Plaintiffs:

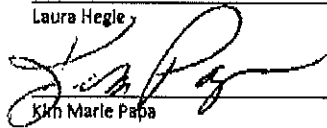
Keith Yaeger

Michael Schuler

Joseph Montgomery

Bryan Balr

Thomas Vanlaarhoven

Laura Hegle


Kim Marie Papa

Robert Tedesco, Jr.

Natalia Yuzovskaya

Representative Plaintiffs:

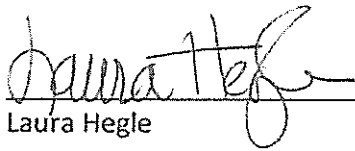
Keith Yaeger

Michael Schuler

Joseph Montgomery

Bryan Bair

Thomas Vanlaarhoven



Laura Hegle

Kim Marie Papa

Robert Tedesco, Jr.

Natalia Tuzovskaya

Representative Plaintiffs:

Keith Yaeger

Michael Schuler

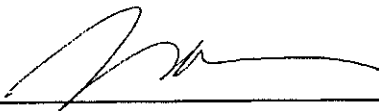
Joseph Montgomery

Bryan Bair

Thomas Vanlaarhoven

Laura Hegle

Kim Marie Papa



Robert Tedesco, Jr.

Natalia Tuzovskaya

Representative Plaintiffs:

Keith Yaeger

Michael Schuler

Joseph Montgomery

Bryan Bair



7/30/15

Thomas Vanlaarhoven

Laura Hagle

Kim Marie Papa

Robert Tedesco, Jr.

Natalia Tuzovskaya

Representative Plaintiffs:

Keith Yaeger

Michael Schuler

Joseph Montgomery

Bryan Bair

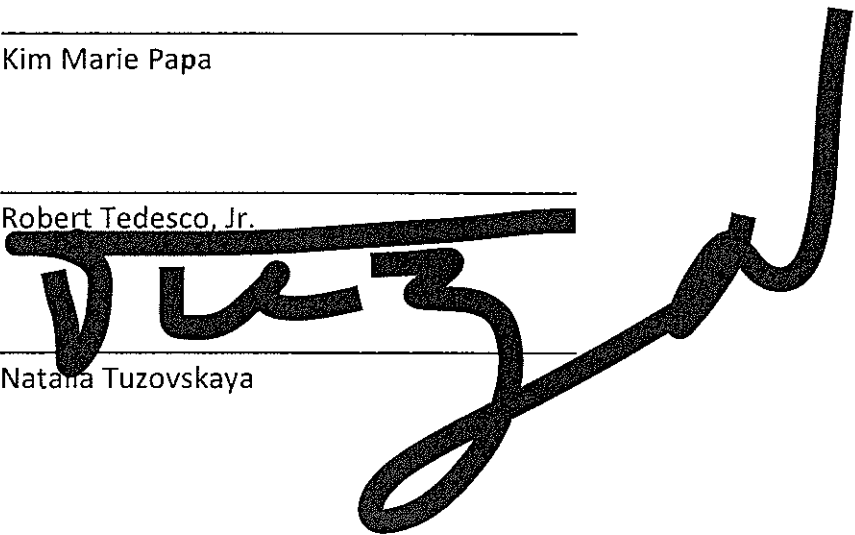
Thomas Vanlaarhoven

Laura Hegle

Kim Marie Papa

Robert Tedesco, Jr.

Natana Tuzovskaya

A large, bold, handwritten signature in black ink, written over the name Robert Tedesco, Jr. The signature is highly stylized and cursive, starting with a large 'R' and ending with a long, sweeping tail that curves upwards and to the right.

Thanks, Mike. We have received a lot more press on the case than expected. Did you speak with them? If anyone else contacts you, please refer them to me. I don't want you to be harassed or us provide Subaru with any future argument against us.

Thanks and have a great weekend.
Matt

On Jul 19, 2014, at 7:27 PM, "Michael R. Schuler" <mike@schulerville.com> wrote:

Somebody called me at home today. Found me by this story. My name is Schuler not Shuler but what the heck

<http://news.msn.com/us/subaru-sued-over-claims-of-dangerous-auto-defect>

Michael R. Schuler
mike@schulerville.com
863-670-2199

Representative Plaintiffs:

Keith Yaeger



Michael Schuler

Joseph Montgomery

Bryan Bair

Thomas Vanlaarhoven

Laura Hegle

Kim Marie Papa

Representative Plaintiffs:



Keith Yaeger

Michael Schuler

Joseph Montgomery

Bryan Bair

Thomas Vanlaarhoven

Laura Hegle

Kim Marie Papa

Robert Tedesco, Jr.

Natalia Tuzovskaya