

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEW JERSEY

NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION

**If you have ever owned or leased any of the following MINI Cooper Models, you could get a payment from this class action settlement and will receive a warranty extension:**

**2008-2009 MINI Cooper S Clubman (R55)**

**2007-2009 MINI Cooper S Hardtop (R56)**

**2009-2010 MINI Cooper S Convertible (R57)**

*A federal court authorized this notice. This is not a solicitation from a lawyer.*

The settlement will:

- provide cash reimbursement for certain expenses as a result of a timing chain tensioner or timing chain failure in the MINI Coopers listed above; and
- extend the warranty on the timing chain tensioner and its components.

Your legal rights are affected whether you act or don't act. Read this notice carefully.

**YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:**

<b>SUBMIT A CLAIM FORM</b>	The only way to get a payment.
<b>EXCLUDE YOURSELF</b>	Get no payment. This is the only option that allows you to ever be part of any other lawsuit against BMW, which makes MINIs, about the legal claims in this case.
<b>OBJECT</b>	Write to the Court about why you don't like the settlement.
<b>GO TO A HEARING</b>	Ask to speak in Court about the fairness of the settlement.
<b>DO NOTHING</b>	Get no payment. Give up rights.

- These rights and options—**and the deadlines to exercise them**—are explained in this notice.
- The Court in charge of this case still has to decide whether to approve the settlement. Payments will be made if the Court approves the settlement and after appeals are resolved. Please be patient.

**1. Why did I get this notice package?**

You or someone in your family may have owned or leased a MINI Cooper.

The Court sent you this notice because you have a right to know about a proposed settlement of a class action lawsuit, and about your options, before the Court decides whether to approve the settlement. If the Court approves it and after objections and appeals are resolved, an administrator appointed by the Court will make the payments that the settlement allows. This package explains the lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the case is the United States District Court for the District of New Jersey, and the case is *Skeen v. BMW of North America, LLC*, civil no. 2:13-cv-01531-WHW-CLW. The people who sued are called Plaintiffs, and the companies they sued, BMW of North America, LLC and Bayerische Motoren Werke Aktiengesellschaft, are called the Defendants.

**QUESTIONS? CALL 1-844-864-9682 TOLL FREE, OR VISIT [WWW.TIMINGCHAINTENSIONERSETTLEMENT.COM](http://WWW.TIMINGCHAINTENSIONERSETTLEMENT.COM)**



## 7. What can I get from the settlement?

The following description of the settlement benefits is set out in its entirety in the Settlement Agreement, a copy of which is on file with the Court and available at [www.TimingChainTensionerSettlement.com](http://www.TimingChainTensionerSettlement.com). Any capitalized or defined terms have the meaning provided in the Settlement Agreement.

### A. WARRANTY EXTENSION FOR COVERED PARTS

All Class Vehicles will receive an automatic warranty extension for original Covered Parts, which will run for 7 years/100,000 miles from the Class Vehicle's in-service date, whichever comes first, and will be subject to the terms and conditions of the MINI Warranty.

### B. REIMBURSEMENT FOR OUT OF POCKET EXPENSES FOR REPAIRS / REPLACEMENTS OF TIMING CHAIN TENSIONER / TIMING CHAIN BEFORE EFFECTIVE DATE OF SETTLEMENT

All Class Members who repaired or replaced a Timing Chain Tensioner or Timing Chain before the Effective Date of the Settlement who submit a valid Claim are entitled to be reimbursed as follows:

1. Timing Chain Tensioner Repair / Replacement:
  - (a) If replaced at an Authorized MINI Dealer: 100% of full Dealer invoice amount for the Covered Part(s) and labor.
  - (b) If replaced at a third-party service center other than an Authorized MINI Dealer: 100% of invoice for Covered Part(s) and labor, but no more than the equivalent cost as if performed at an Authorized MINI Dealer (up to \$120).
2. Timing Chain Repair / Replacement:
  - (a) If replaced at an Authorized MINI Dealer: 100% of full Dealer invoice amount for the Covered Part(s) and labor.
  - (b) If replaced at a third-party service center other than an Authorized MINI Dealer: 100% of invoice for Covered Part(s) and labor, but no more than the equivalent cost as if performed at an Authorized MINI Dealer (up to \$850).
3. Limitations on Reimbursement:
  - (a) Any reimbursement will be reduced by the amount of any goodwill payments / credits or other concession paid by BMW or any other entity (including insurers and providers of extended warranties), up to the full amount of any reimbursement if you received free replacement or repair.
  - (b) BMW will only pay for labor and parts for one initial repair by a third-party service center; BMW will not be responsible for, and will not warrant, repair / replacement work performed at a third-party service center. *Subsequent Failure*: If any replacement Covered Part(s), purchased by the customer or a third-party service center from an Authorized MINI Dealer fails within two (2) years of installation in a Class Vehicle, BMW will provide a free replacement of Covered Part(s) only.

### C. REIMBURSEMENT FOR OUT-OF-POCKET EXPENSES FOR DAMAGED OR FAILED ENGINE DUE TO TIMING CHAIN TENSIONER / TIMING CHAIN FAILURE BEFORE EFFECTIVE DATE OF SETTLEMENT

All Class Members whose Class Vehicle suffered a damaged or failed engine due to failure of the Class Vehicle's Timing Chain Tensioner or Timing Chain and who submit a valid Claim are entitled to be reimbursed as follows:

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## 1. Reimbursement Parameters

- (a) If repaired or replaced at an Authorized MINI Dealer, the maximum recovery is the full invoice amount subject to the time/mileage parameters set out in Table 1, below.
- (b) If repaired or replaced at a third-party service center other than an Authorized MINI Dealer, the maximum recovery is \$5,400.00, subject to the time/mileage parameters set out in Table 1, below.

Table 1						
Time from in-service date	Less than 50,000 Miles	50,001 to 62,500 Miles	62,501 to 75,000 Miles	75,001 to 87,500 Miles	87,501 to 100,000 Miles	100,001 to 112,500 Miles
4 years	100% (warranty)	85%	70%	60%	40%	25%
4-5 years	85%	75%	60%	40%	30%	15%
5-6 years	75%	60%	50%	30%	20%	10%
6-7 years	50%	30%	30%	15%	10%	0%
7-10 years	25%	10%	10%	5%	0%	0%

For illustration purposes, if you had your engine replaced at an Authorized MINI Dealer when your Class Vehicle was 4 ½ years old and had been driven for 70,000 miles, you would be entitled to a 60% return of your documented Out-Of-Pocket Expenses if you submit a valid Claim. If you instead had your engine replaced at a third-party service center, you would be entitled to a 60% return, up to a maximum of \$5,400, of your documented Out-Of-Pocket Expenses if you submit a valid Claim.

## 2. Limitations on Reimbursement:

- (a) Any reimbursement will be reduced by the amount of any goodwill payments/credits or other concession paid by BMW or any other entity (including insurers and providers of extended warranties), up to the full amount of any reimbursement if Claimant received free replacement or repair.
- (b) BMW will only pay for labor and parts for one (1) initial repair by a third-party service center; BMW will not be responsible for, and will not warrant, repair / replacement work performed at a third-party service center. *Subsequent Failure*: If the replacement Covered Part(s), purchased by the customer or a third-party service center from an Authorized MINI Dealer, fails within two years of installation in a Class Vehicle, BMW will provide a free replacement of Covered Part(s) only.
- (c) Any replacement engine will be subject to the parts warranty terms and conditions accompanying that replacement engine. Nothing in this settlement modifies that warranty.

## D. COMPENSATION FOR SALE OF VEHICLE DUE TO UNREPAIRED FAILED ENGINE AS A RESULT OF FAILED TIMING CHAIN TENSIONER / TIMING CHAIN BEFORE EFFECTIVE DATE OF SETTLEMENT

All Class Members whose Class Vehicles were sold due to an unrepaired failed engine resulting from a failed Timing Chain Tensioner or Timing Chain, and who submit a valid Claim, are entitled to compensation set out in Table 2, below:



**Table 2**

Time from in-service date	Less than 50,000 Miles	50,001 to 62,500 Miles	62,501 to 75,000 Miles	75,001 to 87,500 Miles	87,501 to 100,000 Miles	100,001 to 112,500 Miles
<b>4 years</b>	\$0 because 100% covered under warranty	\$2,250	\$1,500	\$1,300	\$1,000	\$500
<b>4-5 years</b>	\$2,250	\$1,500	\$1,200	\$1,000	\$600	\$0
<b>5-6 years</b>	\$1,500	\$1,200	\$900	\$600	\$450	\$0
<b>6-7 years</b>	\$1,000	\$750	\$600	\$450	\$300	\$0
<b>7-10 years</b>	\$750	\$500	\$0	\$0	\$0	\$0

## HOW YOU GET A PAYMENT—SUBMITTING A CLAIM FORM

### 8. How do I file a claim?

To receive reimbursement, Class Members must submit a Claim Form **postmarked on or before June 20, 2016**. A Claim Form is enclosed with this Notice. The Claim Form must be completed in its entirety and should be signed under penalty of perjury. You must also include all Required Documentation, which are described in detail in the Claim Form. Read the Claim Form instructions carefully.

You may visit [www.TimingChainTensionerSettlement.com](http://www.TimingChainTensionerSettlement.com) to file your claim online or obtain replacement Claim Forms.

*Please note that Claim Forms will not be processed, and payments will not be issued, until after the Effective Date of this Settlement, which is thirty (30) days after the Court grants final approval of the Settlement. Please be patient, and feel free to check the website or call the phone number listed below for current status.*

## THE LAWYERS REPRESENTING YOU

### 9. Do I have a lawyer in the case?

The Court asked the law firms of Boucher LLP, Markun Zusman Compton LLP, Cafferty Clobes Meriwether & Sprengel LLP, Kiesel Law LLP, Pinilis Halpern LLP, Ahdoot & Wolfson PC, and Morgan & Morgan Complex Litigation Group, to represent you and other Class Members. Together, the lawyers are called Class Counsel. You will not be charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

### 10. How will the lawyers be paid?

If the Court approves the Settlement, the Court also will determine what amount of attorneys' fees, costs and all other expenses should be paid to Class Counsel. Payment of attorneys' fees and expenses to Class Counsel will not reduce any benefit available to you as part of the Settlement, and will be paid separately by BMW. While not agreeing to the total amount of such an award, the parties have agreed that Defendants will not object to Class Counsel's application for an award of fees and expenses up to \$1,820,000, and that Class Counsel may apply for an award of fees and expenses not to exceed \$2,320,000. The Parties have further agreed that Class Counsel shall not seek payment of any amount in excess of \$2,320,000 if awarded by the Court. Class Counsel also will apply for Service Awards in the amount of \$4,000 for each Class Representative for their work on behalf of the class. These amounts, if approved by the Court, will be paid separately by BMW and will not affect the benefits you may receive under this settlement.

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