

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW JERSEY**

**TIM CRAFT, individually and on behalf of
himself and all others similarly situated,**

Plaintiff,

v.

**BMW OF NORTH AMERICA, LLC, and
BAYERISCHE MOTOREN WERKE
AKTIENGESELLSCHAFT,**

Defendants.

Civ. No. 2:24-cv-06826 (WJM)

**ORDER GRANTING
PRELIMINARY APPROVAL
TO THE CLASS ACTION
SETTLEMENT**

This matter comes before the Court on the unopposed motion of Plaintiff Tim Craft, individually and on behalf of all others similarly situated, (“Plaintiff”) pursuant to Fed. R. Civ. P. Rules 23(a), 23(b)(3), and 23(e), for (1) preliminary approval of the Class Action Settlement (“Settlement”) pursuant to the terms and provisions of the Settlement Agreement and Release dated December 30, 2025, with attached exhibits (“Settlement Agreement”), ECF No. 35-4; (2) preliminarily certifying the Settlement Class for settlement purposes only; (3) directing the Settlement Notice to the Settlement Class in accordance with Paragraphs 20-22 of the Settlement Agreement; (4) preliminarily appointing Settlement Class Counsel, the Settlement Class Representative, and the Claims Administrator; (5) directing the timing and procedures for objecting to, or requesting for exclusion from, the Settlement; and (6) scheduling any other filings and the Final Approval Hearing, ECF No. 35; and

WHEREAS Plaintiff filed suit on behalf of current and former owners of certain BMW Class Vehicles (2019-2020 BMW X3-X7) with production ranges of November 1, 2018 to March 31, 2020 (“Class Vehicles”) alleging that the seams of the Shark Fin Antenna infiltrate with water causing corrosion of interior electrical components, collection of water in body cavities, and water damage to the car interior; and

WHEREAS, the Settlement Agreement sets forth the terms and conditions for the proposed settlement, which includes: 1) Class Vehicle Sealing-Defects to be repaired by a BMW Center free of charge during an Extended Warranty Period of 10 years or 120,000 miles from the car’s in-service date, whichever occurs first, to run with the Class Vehicle; 2) BMW Centers to provide free Sealing-Defect Repairs for any Class Vehicle regardless of age or mileage for 60 days after the Final Approval Order; 3) for Sealing-Defect Repairs at BMW Centers prior to the Settlement, Settlement Class Members can file claims for reimbursement of 100% of the repair costs within 10 years or 120,000 miles from the vehicle’s in-service date at the time of the repair; 4) for costs incurred for Sealing-Defect Repairs at third-party repair shops prior to the Settlement, with certain limitations, Settlement Class Members can file claims for reimbursement of up to \$2,000.00 for repair costs within 10 years or 120,000 miles from the vehicle’s in-service date at the time of repair; and

WHEREAS, the Court has carefully reviewed and considered the Settlement Agreement, Plaintiffs’ Unopposed Motion for Preliminary Approval of the Class Action Settlement, the exhibits thereto, the Supporting Declaration of Matthew D. Schelkopf,

and the docket of this Action;

NOW, IT IS HEREBY ORDERED, this 2nd day of March, 2026, that:

1. This Order incorporates by reference the definitions in the Settlement Agreement, and all terms used in this Order shall have the same meanings as set forth in the Settlement Agreement.

2. The Court preliminarily approves the Settlement Agreement and all of its terms and provisions as fair, reasonable, and adequate, and fully compliant with Rule 23 of the Federal Rules of Civil Procedure (“Rule 23”), subject to further consideration at the Final Approval Hearing.

3. Pursuant to Rule 23, the Court preliminarily certifies, for settlement purposes only, the following Settlement Class: All current and former owners and lessees of a Class Vehicle in the United States, including the District of Columbia and Puerto Rico who do not exclude themselves from (opt-out of) the class. Excluded from the Settlement Class are: Defendant, as well as Defendant’s parents, affiliates, employees, officers, and directors, attorneys, agents, insurers, third-party providers of extended warranty/service contracts; franchised dealers and their owners and immediate family members; independent repair/service facilities and their owners and immediate family members; fleet owners and operators; rental companies and vehicles; the attorneys representing Defendant in this case; the Judges and Mediator to whom this case is assigned and their immediate family members; all persons who request exclusion from (opt-out of) the Settlement; owners and lessees of vehicles purchased with a salvage or

flood title, or whose true mileage was unknown, at the time of purchase; vehicles that had a salvage or flood title or were deemed a total loss before a repair of any Sealing-Defect related issue; anyone claiming personal injury or property damage other than to a Class Vehicle due to a Sealing Defect; all persons who previously released any claims encompassed in this Settlement; and owners and lessees of vehicles sold, registered, or transported outside the United States (including vehicles sold, registered, or transported outside Washington D.C. and Puerto Rico).

4. The Court preliminarily appoints Plaintiff Tim Craft as the Settlement Class Representative (“Plaintiff” or “Settlement Class Representative”).

5. The Court preliminarily appoints Matthew D. Schelkopf and Joseph B. Kenney of Sauder Schelkopf LLC as Class Counsel for the Settlement Class (“Settlement Class Counsel”).

6. The Court preliminarily appoints Kroll Settlement Administration as the Claims Administrator.

7. The Court preliminarily finds, solely for purposes of the Settlement, that the Rule 23 criteria for certification of the Settlement Class exist in that: (a) the Settlement Class is so numerous that joinder of all Settlement Class Members in the Action is impracticable; (b) there are questions of law and fact common to the Settlement Class that predominate over individual questions; (c) the claims of the Settlement Class Representative are typical of the claims of the Settlement Class; (d) the Settlement Class Representatives and Settlement Class Counsel have and will continue to fairly and

adequately represent and protect the interests of the Settlement Class; and (e) a class action is superior to all other available methods for the fair and efficient adjudication of the controversy.

8. In addition, the Court preliminarily finds that certification of the Settlement Class is appropriate, especially when balanced against the risks and delays of further litigation, and that the proceedings that occurred before the Parties entered into the Settlement Agreement afforded counsel the opportunity to adequately assess the claims and defenses in the Action, the relative positions, strengths, weaknesses, risks, and benefits to each Party, and as such, to negotiate a Settlement Agreement that is fair, reasonable, and adequate, and reflects those considerations.

9. The Court also finds that the Settlement Agreement was reached as a result of intensive and adversarial arm's-length negotiations of disputed claims, including an all-day mediation with retired United States District Judge Stephen M. Orlofsky, and is not the product of any collusion.

10. The Court approves, and directs the implementation of, the Parties' Settlement Notice program pursuant to the terms of the Settlement Agreement. The Court approves the form and content of the postcard Settlement Notice and the revised Claim Form (Exhibit A to the Settlement Agreement; Exhibit 1 to Decl. in Supp. of Mot. for Preliminary Approval of Class Action Settlement, ECF No. 36). The Court finds that notice program, consisting of mailing of the Settlement Notice in the manner set forth in the Settlement Agreement, as well as the establishment of a toll-free phone number and a

settlement website that, *inter alia*, will contain the Settlement Notice, an online claims submission portal, and important information about the Settlement, fully satisfies Rule 23 and due process requirements, and constitutes the best notice practicable under the circumstances. The Settlement Notice program is reasonably calculated to apprise the Settlement Class of the pendency of the Action; the certification of the Settlement Class for settlement purposes only; the terms and provisions of the Settlement including its benefits, eligibility for such benefits, and the Release; the Settlement Class Members' rights and options including the right to, and the deadlines and procedures for, requesting exclusion from the Settlement, objecting to the Settlement, or objecting to Settlement Class Counsel Fees and Expenses and Settlement Class Representative Service Award; the deadline, procedures, and requirements for submitting a Claim; the time and place of, and right to appear at, the Final Approval Hearing; and other pertinent information about the Settlement and the Settlement Class Members' rights.

11. The Court further authorizes the Parties to make non-material modifications to the Settlement Notice and revised Claim Form prior to the Settlement Notice deadline if they jointly agree that any such changes are appropriate.

12. The Court further finds that the requirements, process, and deadline for submitting Claim Forms under the Settlement, and the terms and conditions of the Settlement Agreement relating thereto, are fair, reasonable, and hereby approved. The Claims Administrator is directed to perform all settlement administration duties set forth in, and pursuant to the terms and time periods of, the Settlement Agreement, including

mailing of the CAFA Notice; implementing and maintaining the Settlement website; implementing the Notice program; the processing, review, and determination of timely submitted Claim Forms; and the submission of any declarations and other materials to Settlement Class Counsel, Defendant's Counsel, and the Court, as well as any other duties required under the Settlement Agreement.

13. The motor vehicle departments within the United States and its territories are ordered to provide the third-party company retained by the Parties and/or the Claims Administrator approval to release the names and addresses of Settlement Class Members in the Action associated with the titles of the Vehicle Identification Numbers at issue in the Action for the purposes of disseminating the Settlement Notice to the Settlement Class Members. Defendant is ordered to retain a third party to obtain mailing addresses from the applicable state motor vehicle agencies' registration databases to identify the last known addresses of all Class Members and provide the mailing addresses to the Claims Administrator solely for the use of providing Settlement Class Notice in the Action and for no other purpose.

14. Any Settlement Class Member who wishes to be excluded from the Settlement Class must mail, by first-class mail postmarked no later than one hundred and fifty (150) days after the Preliminary Approval Order, a written request for exclusion ("Request for Exclusion") to the Claim Administrators at the address specified in the Settlement Notice. The Request for Exclusion must be timely (mailed and postmarked within the above deadline) and must:

- a. state the Class Member's full name and current address;
- b. identify the model year, model, and Vehicle Identification Number ("VIN") of his/her Class Vehicle(s) and the date(s) of purchase or lease;
- c. specifically and clearly state his/her desire to be excluded from the Settlement and from the Settlement Class; and;
- d. include the Class Member's signature.

15. Any Settlement Class Member who fails to timely mail a complete and individually signed Request for Exclusion containing all of the above required information, and mailed to the Claims Administrator as set forth above, shall not be excluded from the Settlement, shall remain in the Settlement Class, and shall be subject to and bound by all determinations, orders and judgments in the Action concerning the Settlement, including but not limited to the terms and provisions of the Settlement Agreement, including the Release.

16. Any Settlement Class Member who has not submitted a Request for Exclusion may object to the fairness of the Settlement Agreement, the requested amount of Settlement Class Counsel Fees and Expenses, and/or the Settlement Class Representative Service Payment. Any objection must be filed with the Clerk of Court no later than one hundred and fifty (150) days after the Preliminary Approval Order. The objecting Settlement Class Member must also serve the objection or request to be heard by mail or hand delivery upon Settlement Class Counsel, the Claims Administrator, and Defendant's Counsel at the addresses set forth in the Settlement Notice, postmarked no

later than one hundred and fifty (150) days after the Preliminary Approval Order. To state a valid objection to the Settlement, an objecting Settlement Class Member must provide the following information:

- a. his/her full name, current address, and current telephone number;
- b. the model year and model of his/her Class Vehicle(s), as well as the VIN of his/her Class Vehicle(s) and the date(s) of purchase or lease;
- c. whether the objection applies only to the objecting Class Member, to a specific subset of the Class, or to the entire Class;
- d. whether the objector is represented by counsel and, if so, the name and contact information of the objector's counsel;
- e. a statement of the position(s) the objector wishes to assert, including the factual and legal grounds for the position;
- f. provide proof that the objector owns or leases, or has owned or leased, the Class Vehicles (*i.e.*, a true copy of a vehicle title, registration, license receipt, or repair records);
- g. any other documents that the objector wishes to submit in support of his/her position. If the objector wishes to appear and be heard at the Final Approval Hearing, he or she must file a notice of intention to appear at the Final Approval Hearing ("Notice of Intention to Appear") pursuant to the requirements of Paragraph 18, below; and
- h. a detailed statement of any objections to any other class action settlements

submitted in any court, whether state, federal, or otherwise, in the United States in the previous five (5) years. If the Settlement Class Member has not objected to any other class action settlement in any court in the United States in the previous five (5) years, he/she must affirmatively so state in the written materials provided in connection with the objection to this Settlement.

17. Upon the filing of an objection, of their own choosing, Settlement Class Counsel and/or Defendant's 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 may obtain any evidence relevant to the objection. An objector's failure 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.

18. Subject to the Court's approval, any objecting Settlement Class Member may appear, in person or by counsel, at the Final Approval Hearing held by the Court, to show cause why the proposed Settlement should not be approved as fair, adequate, and reasonable, or object to any requests for attorneys' fees and expenses, or Settlement Class Representative Service Payments. The objecting Settlement Class Member must file with the Clerk of the Court and serve upon all counsel designated in the Settlement Notice a Notice of Intention to Appear by the Objection Deadline or on such other date that may

be set forth in the Settlement Notice. The Notice of Intention to Appear must include copies of any papers, exhibits, or other evidence that the objecting Settlement Class Member (or his/her counsel) will present to the Court in connection with the Final Approval Hearing. Any Settlement Class Member who does not provide a Notice of Intention to Appear in complete accordance with the deadlines and other specifications set forth in the Settlement Notice, and who has not filed an objection in complete accordance with the deadlines and other specifications set forth in this Settlement and the Settlement Notice, will be deemed to have waived any objections to the Settlement and will be barred from speaking or otherwise presenting any views at the Final Approval Hearing.

19. Any Settlement Class Member who has not properly filed a timely objection in accordance with the deadline and requirements set forth in this Order shall be deemed to have waived any objections to the Settlement and any adjudication or review of the Settlement Agreement and/or its approval by appeal or otherwise.

20. By the deadline set forth in this Order below, the Parties' responses to any objections and/or requests for exclusion shall be filed with the Court's electronic filing system, and copies of said responses shall be made available on the Settlement Website within a reasonable time thereafter. Settlement Class Members (including any counsel retained by them) should check the case docket and/or the Settlement Website to view any such responses.

21. The Court reserves the right to adjourn the date of the Final Approval

Hearing without further notice to the Settlement Class Members. The Court may approve the settlement, with such modifications as may be agreed to by the Parties to the Settlement Agreement, if appropriate, without further notice to the Settlement Class.

22. If the Settlement Agreement and the settlement set forth therein is not approved or consummated for any reason whatsoever, the Settlement Agreement and settlement and all proceedings had in connection therewith shall be without prejudice to the rights of the parties to the Settlement Agreement *status quo ante*.

23. Based on the foregoing, the Court sets forth the following schedule for the Final Approval Hearing and the actions which must precede it. If any deadline set forth in this Order falls on a weekend or federal holiday, then such deadline shall extend to the next business day. These deadlines may be extended by order of the Court, for good cause shown, without further notice to the Class. Settlement Class Members should check the Settlement Website regularly for updates and further details regarding this Settlement and any applicable deadlines and dates including any changes in the date, time and/or place of the Final Approval Hearing:

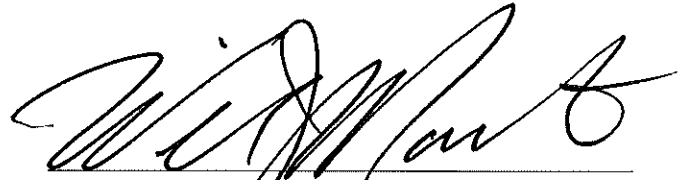
Event	Deadline Pursuant to Settlement Agreement
Settlement Notice shall be mailed in accordance with the Notice program	May 18, 2026

<p>Settlement Class Counsel’s Motion for Settlement Class Counsel Fees, Expenses and Settlement Class Representative Service Payment</p>	<p>June 16, 2026</p>
<p>Deadline for filing of any Objections to the Settlement, Settlement Class Counsel’s Fee and Expense Application, and/or the request for Settlement Class Representative Service Award</p>	<p>June 30, 2026</p>
<p>Deadline for Mailing Requests for Exclusion from the Settlement</p>	<p>June 30, 2026</p>
<p>Plaintiffs to file Motion for Final Approval of the Settlement as well as Approval of Attorneys’ Fees and Costs and Class Representative Service Awards</p>	<p>July 15, 2026</p>
<p>Claim Administrator shall submit an affidavit to the Court (i) indicating the number of requests for exclusion and objection submitted by Settlement Class Members to date; and attesting that Settlement Notice was disseminated in a manner consistent with the terms of this Settlement Agreement and the Class Action Fairness Act, 28 U.S.C. §1711 et seq.,</p>	<p>July 15, 2026</p>
<p>Final Approval Hearing will be held before the Hon. William J. Martini at Courtroom MLK 4B, Martin Luther King Building & U.S. Courthouse, 50 Walnut St., Newark, NJ 07101</p>	<p>July 28, 2026 at 10 AM</p>

Claims Submission Period	Thirty (30) days after the entry of the Final Approval Order or the Effective Date, whichever is later.
--------------------------	---

SO ORDERED:

Date: 3/2/26


Honorable William J. Martini United
States District Judge