

SETTLEMENT AGREEMENT AND RELEASE

Plaintiff Tim Craft (“Plaintiff” or the “Class Representative”), by and through his counsel, and Defendant BMW of North America, LLC (“BMW NA” or “Defendant”) (Plaintiff and Defendant are collectively referred to as the “Parties”), by and through its counsel, hereby enter into this Settlement Agreement providing, subject to the Court’s approval, for the settlement of the claims herein described against Defendant (the “Settlement”).

WHEREAS, Plaintiff filed a putative class action against Defendant in the United States District Court for the District of New Jersey (*Craft v. BMW of North America, LLC, et al.*, Case No. 2:24-cv-06826-WJM-CF) on June 7, 2024 (the “Action”); and

WHEREAS, BMW NA filed a Motion to Dismiss (DE 7) on August 20, 2024, Plaintiff filed his opposition on October 15, 2024 (DE 13) and BMW NA filed its reply brief on October 29, 2024; and

WHEREAS, on December 23, 2024, the Court issued an Order dismissing, without prejudice Counts 3, 4, 5, and 6 of Plaintiff’s Complaint as well as Plaintiff’s claims on behalf of the nationwide class, dismissing, with prejudice, Counts 7 and 9 of Plaintiff’s Class Action Complaint, and denying the motion with respect to Counts 1, 2, and 8 (DE 17); and

WHEREAS, on February 28, 2025, Defendant filed its Answer to Plaintiff’s Class Action Complaint (DE 25); and

WHEREAS, the Parties exchanged formal and informal discovery; and

WHEREAS, Plaintiff and Defendant have conducted a thorough examination and investigation of the facts and law relating to the matters in the Action; and

WHEREAS, the Parties participated in an all-day mediation with retired United States District Judge Stephen M. Orlofsky; and

WHEREAS, after extensive, vigorous discussions and arm's-length negotiations, and numerous exchanges of information and settlement proposals, the Parties were able to reach an agreement to resolve the Action and the disputes between them; and

WHEREAS, Defendant expressly denies any wrongdoing alleged in the pleadings and does not admit or concede any actual or potential fault, wrongdoing, or liability in connection with any facts or claims that have been or could have been alleged against it in the Action. Even though Defendant expressly denies any wrongdoing, Defendant has concluded that settlement is desirable in order to avoid the time, expense, and inherent uncertainties of defending protracted litigation and to resolve, finally and completely, all pending and potential claims of the Plaintiff and all members of the Class which were or could have been asserted by Plaintiff and the Class in the Action; and

WHEREAS, while Plaintiff firmly believes in the merits of his case, Plaintiff recognizes the substantial benefits to Plaintiff and the Class under the terms of this Settlement and the costs, risks, and inherent uncertainties of protracted litigation, especially in complex class actions such as this, as well as the difficulties and delays inherent in such litigation, and believes that it is in his interest, and the interest of all Class Members, to resolve the Action, and any and all claims asserted in the Action against Defendant, in order to provide effective relief promptly to Plaintiff and the Class as set forth in this Settlement Agreement; and

WHEREAS, the undersigned Parties believe that this Settlement offers significant benefits to Class Members and is fair, adequate, reasonable, and in the best interest of Class Members; and

WHEREAS, this Settlement Agreement is made and entered into by and among Plaintiff individually and on behalf of the Class, and Defendant;

NOW, THEREFORE, it is hereby stipulated and agreed, by and between the undersigned Parties, as follows:

DEFINITIONS.

1. As used in this Settlement Agreement and the attached exhibits (which are an integral part of this Settlement Agreement and are incorporated in their entirety by reference), the following terms will have the meanings set forth below, unless this Settlement Agreement specifically provides otherwise. Where appropriate, terms used in the singular will be deemed to include the plural and vice versa.

(a) “Action” means the litigation entitled *Craft v. BMW of North America, LLC, et al.*, Case No. 2:24-cv-06826-WJM-CF, pending in the United States District Court for the District of New Jersey.

(b) “BMW NA” means Defendant BMW of North America, LLC.

(c) “Claim Form” means a form in substantially the same form as that attached hereto as Exhibit “B.”

(d) “Claim Validation Process” means the process by which properly submitted claims which are conditionally approved by the Claims Administrator will be reviewed and validated by BMW NA to determine that (i) the Class Vehicle’s New Passenger Vehicle Limited Warranty has not been invalidated for the reasons set forth in Paragraph 17, below; (ii) the VIN number associated with the Claim matches the Settlement Class Member vehicle’s VIN number; (iii) neither BMW NA nor an authorized BMW dealer (*i.e.*, “BMW Center” hereinafter) has previously paid for the same claim(s) being submitted for reimbursement; (iv) the claim is for an item covered under this Settlement; (v) the claim is not for a vehicle excluded from the Settlement Class; (vi) the claim for reimbursement has not been submitted by someone excluded from (“opted out” of) the Settlement Class under Paragraph 23, below; (vii) in the event the Settlement Class

Member has received “goodwill” or other cost/price adjustment, coupon, reimbursement, or refund directly related to the Sealing Defect from BMW NA, a BMW Center, any person or entity associated with Defendant, an insurer, or a provider of an extended service contract, then that amount will be subtracted from the total amount of the approved claim; and (viii) the claim has not been fraudulently submitted.

(e) “Claims Administrator” means the third-party entity that Defendant will select, and which Defendant will pay for, to administer the Settlement and the claims process.

(f) “Claims Submission Period” means the time period during which Class Members may submit claims which will commence with the mailing of the Settlement Notice and will conclude thirty (30) days after the Final Approval Order or the Effective Date, whichever is later.

(g) “Class Members” means all current and former owners and lessees of Class Vehicles.

(h) “Class Representative” means Mr. Craft.

(i) “Class Vehicles” means certain of the following U.S.-specification BMW vehicles distributed for sale, registered, and operated in the United States, including the District of Columbia and Puerto Rico:

Model	Model Years	Production Range*
X3	2019 - 2020	November 1, 2018 to March 31, 2020
X4	2019 - 2020	November 1, 2018 to March 31, 2020
X5	2019 - 2020	November 1, 2018 to March 31, 2020
X7	2019 - 2020	November 1, 2018 to March 31, 2020
X6	2019 - 2020	November 1, 2018 to March 31, 2020

* *Model Years are not fully indicative of actual Class Vehicles, which will depend on production ranges.*

(j) “Court” means the United States District Court for the District of New Jersey, the Honorable William J. Martini or Magistrate Judge Cari Fais, or their duly appointed successor(s).

(k) “Defendant” means BMW NA, as well as its predecessors, successors, assigns, parents, affiliates, directors, officers, agents, attorneys, representatives, and employees.

(l) “Defendant’s Counsel” means Buchanan Ingersoll & Rooney PC.

(m) “Effective Date” means the earliest of the following: (i) the date on which the time for appeal from the Final Judgment approving the settlement has elapsed without any appeals being filed; or (ii) the date on which all appeals from the Final Judgment approving this Settlement or from any appellate court decisions affirming the Final Judgment have been exhausted, and no further appeal may be taken.

(n) “Final Approval Hearing” means the hearing at which the Court will consider and decide whether to enter the Final Approval Order.

(o) “Final Approval Motion” means the motion Plaintiff will file in support of the Court’s final approval of the Settlement.

(p) “Final Approval Order” means the Court order that approves this Settlement Agreement and makes such other final rulings as are contemplated by this Settlement Agreement.

(q) “Objection Deadline” means the date agreed upon by the Parties, or otherwise ordered by the Court in the Preliminary Approval Order, by which any Class Members who wish to do so must object to the Settlement Agreement’s terms or provisions and submit any required statements, proof, or other materials and/or argument.

(r) “Opt-Out Deadline” means the date agreed upon by the Parties, or otherwise ordered by the Court in the Preliminary Approval Order, by which any Settlement Class Members

who do not wish to be included in the Settlement Class and participate in the Settlement must complete the acts necessary to properly effect such election.

(s) “Opt-Out List” means a written list prepared by the Claims Administrator of all Class Members who submit timely and valid Requests for Exclusion.

(t) “Parties” means the Plaintiff and Defendant.

(u) “Plaintiff” means the Settlement Class Representative, Tim Craft.

(v) “Preliminary Approval Motion” means the motion Plaintiff files in support of the Court’s preliminary approval of the Settlement.

(w) Preliminary Approval Order. “Preliminary Approval Order” means the order of the Court preliminarily approving this Settlement Agreement, a proposed version of which is attached hereto as Exhibit “C.”

(x) “Release” means the release and waiver set forth in Paragraph 33 of this Settlement Agreement and in the Final Approval Order.

(y) “Request for Exclusion” means any request by any Class Member to be excluded from (opt-out of) the Settlement.

(z) “Sealing Defect” means any defectively manufactured seal where the paint application process for the roof-mounted Shark-Fin Antenna housing was not optimal during construction of the Class Vehicle, which in limited cases causes the seal of the roof-mounted Shark-Fin Antenna housing to separate from the Class Vehicle. When the Defect manifests, the defective seal can allow water ingress into the Class Vehicle, possibly damaging components and equipment within the Shark-Fin Antenna housing.

(aa) “Sealing-Defect Repair” means the removal and resealing of the roof-mounted antenna housing, limited to the Shark-Fin Antenna (as defined below), telematics unit, and battery for telematics unit.

(bb) “Settlement” means the agreement by the Parties to resolve the Action, the terms of which have been memorialized and provided for in this Settlement Agreement and all the exhibits attached hereto.

(cc) “Settlement Agreement” means this Settlement Agreement and all the exhibits attached to it.

(dd) “Settlement Class Counsel” means Matthew Schelkopf and Joseph Kenney of Sauder Schelkopf LLC.

(ee) “Settlement Class Counsel Fees and Expenses” means the reasonable attorneys’ fees and expenses approved by the Court, to be paid by Defendant.

(ff) “Settlement Class Members” or “Settlement Class” mean (as of the Effective Date) 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 this definition 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).

(gg) “Settlement Notice” means the Court-approved form of notice to current and former owners and lessees of Settlement Class Vehicles, in substantially the same form as that attached hereto as Exhibit “A,” informing them of, among other things, the (i) preliminary approval of the Settlement; (ii) scheduling of the Final Approval Hearing; (iii) opportunity to submit a claim; (iv) opportunity to submit an objection; and (v) opportunity to request exclusion.

(hh) “Settlement Class Representative” means Tim Craft.

(ii) “Settlement Class Representative Service Payment” means the reasonable service payment approved by the Court.

(jj) “Settlement Class Vehicles” means Class Vehicles currently or formerly owned or leased by Settlement Class Members.

(kk) “Shark-Fin Antenna” means the antenna mounted to the roof of the Class Vehicle.

(ll) “Warranty Extension Period” means the extended warranty coverage applicable to the Sealing Defect, which will run for ten (10) years or 120,000 miles, whichever comes first, from the date the Settlement Class Vehicle was placed into service (“in-service date”). The Warranty Extension runs with each Class Vehicle, regardless of subsequent transfer, and regardless of whether the Class Member requests exclusion from (opts out of) the Settlement.

(mm) “VIN” means Vehicle Identification Number.

REQUIRED EVENTS.

2. Promptly after all Parties execute the Settlement Agreement, Settlement Class Counsel and Defendant’s Counsel will take all reasonable and necessary steps, subject to the Court’s availability, to obtain entry of the Preliminary Approval Order and the Final Approval Order as expeditiously as possible.

3. The Parties will seek entry of a Preliminary Approval Order in substantially the same form as that attached hereto as Exhibit “C.” Plaintiff will file his Preliminary Approval Motion with the proposed Preliminary Approval Order and supporting documents. The Preliminary Approval Order will, among other things:

(a) Certify a nationwide (United States, District of Columbia, and Puerto Rico) settlement-only class; approve Mr. Craft as Settlement Class Representative; and appoint his counsel as Settlement Class Counsel, pursuant to Fed. R. Civ. P. 23;

(b) Preliminarily approve the Settlement;

(c) Appoint the Claims Administrator;

(d) Require Defendant’s Counsel, or its designee, to provide notice under the Class Action Fairness Act, 28 U.S.C. § 1715 to the States’ Attorneys General within ten (10) days from the date of the Preliminary Approval Order, if they have not already done so;

(e) Require the Claims Administrator within sixty (60) days of the date of the Preliminary Approval Order to establish and maintain a website and informational toll-free number, which will remain available until all claims decisions by the Claims Administrator and payment to claimants have been made;

(f) Require the dissemination of Settlement Notice within ninety (90) days of the date of the Preliminary Approval Order or such additional time as is reasonably required, and the taking of all necessary and appropriate steps to accomplish this task;

(g) Determine that the Settlement Notice complies with all legal requirements, including, but not limited to, the Due Process Clause of the United States Constitution;

(h) Schedule a date and time for a Final Approval Hearing, not less than one hundred and fifty (150) days after the date of the Preliminary Approval Order, to determine whether the Court should finally approve the Settlement;

(i) Set a deadline for all claims by Settlement Class Members to be submitted, thirty (30) days after the Final Approval Order or the Effective Date, whichever is later;

(j) Require Settlement Class Members who wish to exclude themselves from or object to the Settlement to submit an appropriate and timely written request for exclusion or objection by a date certain as specified in the Notice that will be one hundred and twenty (120) days after the Preliminary Approval Order;

(k) Require Settlement Class Members who wish to appear to object to the Settlement Agreement to submit an appropriate and timely written statement by a date certain as specified in the Notice that will be one hundred and twenty (120) days after the Preliminary Approval Order;

(l) Require attorneys representing objecting Settlement Class Members, at the time the objection is filed, at the objecting Settlement Class Members' expense, to file a notice of appearance by a date certain as specified in the Notice that will be one hundred and five (105) days after the Preliminary Approval Order;

(m) Require Settlement Class Counsel to file their motion for an award of attorneys' fees, inclusive of costs and expenses, and for Settlement Class Representative Service Payment, ninety (90) days after the Preliminary Approval Order. Defendant will file any objection or opposition to the motion one hundred and five (105) days after the Preliminary Approval Order. Settlement Class Counsel will file any reply papers in response to the opposition and reply papers in response to any objections, one hundred and twenty (120) days after the Preliminary Approval Order;

(n) Require Settlement Class Counsel to file their Final Approval Motion one hundred and twenty (120) days after the Preliminary Approval Order;

(o) Require Defendant to file with the Court an affidavit no less than fifteen (15) days prior to the Final Approval Hearing from the Claims Administrator:

(i) indicating the number of requests for exclusion and objections submitted by Settlement Class Members to date; and

(ii) 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.*, or those otherwise required by the Court; and

(p) Issue other related orders as necessary to effectuate the preliminary approval of the Settlement.

4. After the Preliminary Approval Hearing, the Parties will seek to obtain from the Court a Final Approval Order in a form to be agreed upon by the Parties. The Court will determine the Final Approval Order but is expected to, among other things:

(a) Find that the Court has personal jurisdiction over all Settlement Class Members, subject-matter jurisdiction over the claims asserted in the Action, and that venue is proper;

(b) Approve the Settlement, pursuant to Fed. R. Civ. P. 23;

(c) Finally certify the Settlement Class for settlement purposes only;

(d) Find that the Settlement Notice was the best practicable notice and complied with all laws, including, but not limited to, the Due Process Clause of the United States Constitution;

(e) Determine and award reasonable and agreed upon attorneys' fees, costs, and expenses and Settlement Class Representative Service Award to be paid to Settlement Class Counsel;

(f) Dismiss the Action with prejudice;

(g) Incorporate the Release set forth in the Settlement Agreement and make the Release effective as of the date of the Final Approval Order;

(h) Authorize the Parties to implement the terms of the Settlement Agreement;

(i) Retain jurisdiction relating to the administration, consummation, enforcement, and interpretation of the Settlement Agreement, the Final Approval Order, and for any other necessary purpose; and

(j) Issue any related orders necessary to effectuate the final approval of the Settlement and its implementation.

5. The Parties will use their best efforts, consistent with the terms of this Settlement Agreement, to promptly obtain a Final Approval Order.

6. If the Court fails to issue the Preliminary Approval Order or fails to issue the Final Approval Order without leave to resubmit, the terms of this Settlement Agreement are voidable by either Party. However, the Parties agree to use their best efforts and to work together in good faith, consistent with this Settlement Agreement, to cure any defect(s) identified by the Court.

7. The Parties acknowledge that prompt approval, consummation, and implementation of the Settlement set forth in this Settlement Agreement are essential. The Parties will cooperate with each other in good faith to carry out the purposes of and to effectuate this Settlement Agreement, will promptly perform their respective obligations hereunder, and will promptly take any and all actions and execute and deliver any and all additional documents and all other materials or information reasonably necessary or appropriate to carry out the terms of this Settlement Agreement and the transactions contemplated hereby.

8. Upon Entry of the Final Approval Order, the Action will be dismissed, on its merits and with prejudice, subject to the continuing jurisdiction of this Court, and Settlement Class Members will be forever barred and enjoined from pursuing any claims which have been resolved by this Settlement.

SETTLEMENT TERMS.

Prospective Relief.

9. **Warranty Extension to Class Vehicles.** BMW NA's New Vehicle Limited Warranty, as it relates to the Sealing Defect in Class Vehicles, is extended to 10 years or 120,000 miles (whichever comes first) from the vehicle's in-service date to cover all costs associated with diagnostics and Sealing-Defect Repair(s).

(a) After the Mailing Date of the Class Notice, any Class Vehicle that requires a Sealing-Defect Repair will be repaired by a BMW Center free of charge during the Extended Warranty Period. No reimbursement is available for Out-of-Pocket Costs incurred for Sealing-

Defect Repairs after the Mailing Date of Class Notice. To ensure continued customer satisfaction and in accordance with this Settlement, BMW NA will implement the Extended Warranty Period as soon as practicable by way of the Class Notice and will inform Class Members of warranty coverage available for eligible Sealing-Defect Repairs.

(b) For sixty (60) days after entry of the Final Approval Order, BMW Centers will provide no-cost Sealing-Defect Repairs for any Class Vehicle, regardless of age or mileage.

(c) The Warranty Extension runs with each Class Vehicle, regardless of subsequent transfer, and regardless of whether the Class Member requests exclusion from (opts out of) the Settlement.

(d) There will be no limit on the number of BMW Center Sealing-Defect Repairs as needed during the Warranty Extension Period, as long as the prior Sealing-Defect Repair was performed at a BMW Center.

Retrospective Relief.

10. **Reimbursement of Costs Incurred for Sealing-Defect Repairs at BMW Centers Prior to the Effective Date.** Each Settlement Class Member may file a claim with the required proofs that will entitle him/her to reimbursement of the following Class Vehicle related expenses incurred and actually paid by the Settlement Class Member:

(a) Reimbursement of 100% of the repair costs for Sealing-Defect Repairs (repair of the Shark-Fin Antenna, telematics unit, and battery for telematics unit) in Class Vehicles provided:

(i) The Class Vehicle is under 10 years or 120,000 miles (whichever comes first) from the vehicle's in-service date at the time of repair.

(ii) The Repair Order includes the following:

(A) VIN;

- (B) Model and Model Year;
- (C) Date of repair;
- (D) Mileage at time of repair; and
- (E) Adequate repair description on service record regarding

Shark-Fin Antenna seal failure and repair, limited to the Shark-Fin Antenna, telematics unit, and battery for telematics unit.

- (iii) Proof of payment or service records stating “paid.”

11. Reimbursement of Out-of-Pocket Costs Incurred for Sealing-Defect Repairs at Third Parties Prior to the Effective Date. Each Settlement Class Member may file a claim with the required proofs that will entitle him/her to reimbursement of the following Class Vehicle related expenses incurred and actually paid by the Settlement Class Member:

(a) Reimbursement for repair costs for the Sealing-Defect Repair in Class Vehicles, up to \$2,000.00, provided:

(i) The Class Vehicle is under 10 years or 120,000 miles (whichever comes first) from the vehicle’s in-service date at the time or repair.

(ii) The Repair Order includes the following:

- (A) VIN;
- (B) Model and Model Year;
- (C) Date of repair;
- (D) Mileage at time of repair; and
- (E) Adequate repair description on service record regarding

Shark-Fin Antenna seal failure and repair, limited to the Shark-Fin Antenna, telematics unit, and battery for telematics unit.

(iii) Proof of payment or service records stating “paid.”

(iv) The third-party repair shop is registered with the state, including a business license or authorization.

(b) Reimbursement is limited to one qualifying Sealing Defect Repair visit at a third-party repair shop.

(c) Coverage under this Settlement does not extend to self-performed or do-it-yourself (“DIY”) repairs.

12. **Required Proof.** In order for a claim to be eligible for reimbursement pursuant to Paragraph 11, above, Settlement Class Members must submit a Claim Form to the Claims Administrator that is post-marked during the Claims Submission Period or submitted through the online portal during the Claims Submission Period and include:

(a) a legible repair order from an authorized BMW Center or independent repair facility licensed to perform such repairs that identifies a Settlement Class Vehicle and VIN, the part number(s) used, and the cost of the repair, with parts and labor separated;

(b) proof of payment, in the form or combination of a canceled check, credit-card receipt, credit-card statement, service/repair record stating “paid,” or receipt from the repairing entity demonstrating that the Settlement Class Member paid for the amount(s) sought for reimbursement including:

(c) the mileage of the Settlement Class Vehicle at the time of repair;

(d) the nature of the repair and the part(s) used in the repair; and

(e) the date of repair.

(f) If the ownership/leasing records accessible to BMW NA and the Claims Administrator do not match with the information submitted on a claim, or multiple claims for

reimbursement for the same repair on the same Class Vehicle are received, the Class Member(s) seeking reimbursement will also have to provide documentation that identifies the owner/lessee of the Class Vehicle (i.e., a true copy of a vehicle title, registration or proof of insurance coverage) at the time of the repair.

13. Reimbursement amounts will be reduced by goodwill or other adjustment, coupon, refund, or payment made by an authorized BMW Center, BMW NA, any person or entity associated with BMW NA, an insurer, or a provider of an extended service contract.

14. Limitations. Defendant does not warrant or guarantee any repairs performed at third-party repair shops or repairs using non-OEM parts; should any such repairs or parts fail after a Settlement Class Member has made a claim for reimbursement under the Settlement, the Settlement Class Member will not be entitled to submit an additional reimbursement claim or be entitled to a Sealing-Defect Repair under the extension of BMA NA's New Vehicle Limited Warranty related to the Sealing Defect provided under this Settlement described in Paragraph 9, above.

Claim Review and Processing, Claim Validation, and Appeal from Denial.

15. Claim Review and Processing. All claims properly submitted for reimbursement will be reviewed on a rolling basis upon receipt by the Claims Administrator, which will be responsible for conditionally approving the claim by ensuring that all information and documentation required under this Settlement Agreement has been submitted. The Claims Administrator will submit those properly supported and conditionally approved claims to BMW NA for the Claim Validation Process, pursuant to Paragraph 17, below.

16. Deficient Claims. Any Settlement Class Member whose claim is deemed deficient or an incomplete claim as set forth in Paragraph 12 above will receive from the Claims Administrator by first-class mail, postmarked within thirty (30) days of the determination that the

claim is deficient, a written explanation stating the reason(s) the claim was deemed deficient, including steps the Settlement Class Member can take to cure the deficiencies, if possible. The Settlement Class Member receiving such notice will be allowed thirty (30) days from mailing to cure the deficiency if possible. If the Settlement Class Member does not provide the materials identified in the Claims Administrator's letter or fails to submit a response to the Claims Administrator's letter within thirty (30) days, the claim will no longer be eligible for reimbursement or appeal. Any claim that the Claims Administrator determines is still deficient is final.

17. Claim Validation Process. After Claim Review and Processing, the Claims Administrator will calculate the amount due to each Settlement Class Member for all claims approved as complying with the requirements of this Settlement Agreement. The Claims Administrator will, on a rolling basis, submit those conditionally approved claims to Defendant for the Claim Validation Process to determine if there is any reason to believe that a claim is fraudulent or otherwise invalid. Within a rolling forty-five (45) days basis of Defendant's receipt from the Claims Administrator of the conditionally approved claims, Defendant may object to the approval of the claim based on evidence that:

(a) the vehicle's warranty was invalidated for reasons set forth in BMW NA's New Vehicle Limited Warranty, including, but not limited to:

- (i) the VIN has been altered or cannot be read;
- (ii) the vehicle had a salvage or flood title at the time of purchase, was declared a total loss, was sold for salvage purposes, or had a salvage or flood title before a repair of any Sealing-Defect related issue;

(iii) the odometer of the vehicle was tampered with or the true mileage of the vehicle is unknown;

(iv) damage resulting from the use of non-genuine parts or any parts or accessories not approved by BMW that are directly related to, or caused, a failure of the Shark-Fin Antenna;

(b) the VIN associated with the claim does not match the Settlement Class Member's vehicle's VIN;

(c) the claim for reimbursement is for an item or service that is not covered under this Settlement Agreement;

(d) the claim is for a vehicle excluded from the Settlement Class;

(e) the claim for reimbursement has already been made and paid (i.e., a duplicate claim);

(f) the claim for reimbursement is submitted by someone who requested exclusion from (opted out of) the Settlement;

(g) the claim is fraudulently submitted; or

(h) the Settlement Class Member has received "goodwill" or other cost/price adjustment, coupon, reimbursement, or refund from BMW NA, a BMW Center, any person or entity associated with Defendant, an insurer, or a provider of an extended service contract, in which case that amount will be subtracted from the total amount of the approved claim.

18. Denied Claims. Any Settlement Class Member whose claim is denied, in whole or in part, either by the Claims Administrator or Defendant, will receive from the Claims Administrator by first-class mail a written explanation stating the reason(s) for the denial. The Claims Administrator's decision is final.

19. Claim Payment. Beginning thirty (30) days after the Effective Date and on a rolling basis thereafter, the Claims Administrator will commence issuing payment for approved and validated Claims.

NOTIFICATION TO CLASS MEMBERS.

20. Unless otherwise specified, Defendant will pay all costs related to the following settlement administration and notice program within forty-five (45) days after entry of the Preliminary Approval Order. Subject to the Court approving the same, notice dissemination will commence within seventy-five (75) days after entry of the Preliminary Approval Order:

(a) Defendant will 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.

(b) The Claims Administrator or the motor vehicle agency records provider will use current U.S. Postal Service software and the National Change of Address database to update the address records so that Class Members' most recent addresses will be used to provide a Class Notice to those Class Members by a direct first-class mailing. If a Settlement Notice is returned to the Claims Administrator by the U.S. Postal Service because the address of the recipient is no longer valid, and the envelope contains a forwarding address, the Claims Administrator will re-send the Settlement Notice to the forwarding address within seven (7) days of receiving the returned Settlement Notice.

(c) Within sixty (60) days after entry of the Preliminary Approval Order, the Claims Administrator will be responsible for, without limitation:

(i) establishing, maintaining, and administering a toll-free telephone number dedicated to the Settlement which will provide information about the Settlement and

(ii) establishing and maintaining a website dedicated to the Settlement which will provide:

(A) information about the Settlement and all relevant documents, including the Claim Form available for download;

(B) an email address for Class Members to ask the Claims Administrator questions; and

(C) an online claims submission portal and instructions on how Settlement Class Members may submit their claims by U.S. Mail or via the online submission portal.

(iii) The website and toll-free telephone number will remain available until all claims decisions by the Claims Administrator and payment to claimants have been made.

(d) Within seventy-five (75) days of the Preliminary Approval Order, the Claims Administrator will disseminate Settlement Notice to the Class as specified in the Preliminary Approval Order, and in compliance with all applicable laws, including, but not limited to, the Due Process Clause of the Constitution.

(e) Defendant will pay all costs associated with Settlement Administration.

21. Contents of the Settlement Notice. The Settlement Notice, in a form substantially similar to the one attached to the Settlement Agreement as Exhibit "A," will advise Class Members of the following:

(a) General Terms. The Settlement Notice will contain a plain and concise description of the nature of the Action, the history of the Action, the preliminary certification of the Settlement, and the proposed Settlement, including information on the identity of Class

Members, how the proposed Settlement would provide relief to the Settlement Class Members, what claims are released under the proposed Settlement, and other relevant terms and conditions.

(b) Exclusion/Opt-Out Rights. The Settlement Notice will inform Class Members that they have the right to request exclusion from (opt out of) the Settlement. The Settlement Notice will provide the deadlines and procedures for exercising this right.

(c) Objection to Settlement. The Settlement Notice will inform Class Members of their right to object to the proposed Settlement and to appear at the Final Approval Hearing. The Settlement Notice will provide the deadlines and procedures for exercising these rights.

(d) Attorneys' Fees and Expenses, and Settlement Class Representative Service Payment. The Settlement Notice will inform Class Members about the amounts being sought by Settlement Class Counsel as attorneys' fees and expenses, as well as service payment to the Settlement Class Representative, and will explain what Defendant will pay and that such payment is in addition to and will not reduce the relief being made available to Settlement Class Members.

(e) Claim Form. The Settlement Notice will include the Claim Form, in a form substantially similar to the one attached to the Settlement Agreement as Exhibit "B," which will inform Class Members that they must fully complete and timely return the Claim Form and supporting documents within the Claim Period to be eligible to obtain a recovery.

22. Media Inquiries/Publicity. If either Party makes any announcement regarding settlement, it must be limited to describing the claim and the settlement terms. If the media contacts any Party, that Party may respond to the inquiry by directing the media to the Settlement website and by stating that the parties engaged in arm's length negotiations through a respected mediator and agreed to a fair, adequate, and reasonable class settlement on a disputed claim that provides substantial class benefits. A party may also explain the claim and the settlement terms.

REQUESTS FOR EXCLUSION BY CLASS MEMBERS.

23. The provisions of this paragraph will apply to any Request for Exclusion. Any Class Member may make a Request for Exclusion by mailing or delivering such request in writing to the Claims Administrator. Any Request for Exclusion must be postmarked and received not later than the Opt-Out Deadline specified in the Court's Preliminary Approval Order. Any Request for Exclusion 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.

24. Any Class Member who submits a timely Request for Exclusion may not file an objection to the Settlement and will be deemed to have waived any rights or benefits under this Settlement Agreement.

25. A Class Member's Request for Exclusion will not affect the Warranty Extension applicable to that Class Member's Class Vehicle.

OBJECTIONS BY SETTLEMENT CLASS MEMBERS.

26. Any Class Member who has not filed a timely written Request for Exclusion and who wishes to object to the fairness, adequacy, or reasonableness of this Settlement Agreement or the Settlement, or to the requested award of attorneys' fees and expenses, or Settlement Class Representative Service Payments, must file with the Clerk of the Court a written notice of objection by the Objection Deadline. To state a valid objection to the Settlement, an objecting Settlement

Class Member must provide the following information in the Settlement Class Member's written objection:

- (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 28, 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.

27. 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.

28. Finally, 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.

29. The agreed-upon procedures and requirements for filing objections in connection with the Final Approval Hearing are intended to ensure the efficient administration of justice and the orderly presentation of any Settlement Class Member's objection to the Settlement, in accordance with such Settlement Class Member's due process rights.

30. The Preliminary Approval Order and Settlement Notice will require all Settlement Class Members who have any objections to submit such notice of objection or request to be heard to the Court, and serve by mail or hand delivery such notice of objection or request to be heard upon Settlement Class Counsel, the Claims Administrator, and Defendant's Counsel at the addresses set forth in the Settlement Notice, postmarked by no later than the Objection Deadline.

31. The Preliminary Approval Order will further provide that objectors who fail properly or timely to file their objections with the Court, along with the required information and documentation set forth above, or to serve them as provided above, will not be heard during the Final Approval Hearing, and their objections will be waived and will not be considered by the Court.

32. Any Settlement Class Member who objects to the Settlement will be entitled to all of the benefits of the Settlement if this Settlement Agreement and the terms contained herein are approved, as long as the objecting Settlement Class Member complies with all the requirements of this Settlement Agreement applicable to Settlement Class Members.

RELEASE, DISMISSAL OF ACTION, AND JURISDICTION OF COURT.

33. The Parties agree to the following release and waiver, which will take effect upon the Effective Date:

(a) The released parties include BMW NA and its direct and indirect parents, subsidiaries, affiliates, successors in interest, officers, directors, agents, authorized BMW dealers, attorneys, and all other persons or entities acting on their behalf; suppliers, licensors, licensees,

distributors, assemblers, partners, component part designers, manufacturers, holding companies, joint ventures, and any individuals or entities involved in the chain of design, development, testing, manufacture, sale, assembly, distribution, marketing, advertising, financing, warranting, repair, and maintenance of the Class Vehicles and their component parts (“Released Parties”). The released claims refer to any and all claims, including demands, rights, liabilities, and causes of action, of every nature and description that were asserted or could have been asserted in this action, which relate to the Sealing Defect in the Class Vehicles, excluding any claims for property damage or personal injury (“Released Claims”). Upon the Effective Date, the Settlement Class Representative and Settlement Class Members will each and do hereby forever release, discharge, waive, and covenant not to sue the Released Parties regarding any and all of the Released Claims. This release includes any such claims that the Settlement Class Representative and Settlement Class Members do not know of or suspect to exist in their favor at the time of this release and that, if known by them, might have affected their settlement and release of the Released Parties, or might have affected their decision not to object to this agreement. The foregoing waiver includes without limitation an express waiver, to the fullest extent permitted by New Jersey law, and any and all other state laws, including any and all rights conferred by section 1542 of the *California Civil Code*, which provides:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

The foregoing waiver also includes without limitation an express waiver, to the fullest extent permitted by law, of any and all rights under any law of any state or territory of the United States, including the District of Columbia, and any federal law or principle of common law or equity, or of international foreign law, that is comparable to section 1542 of the *California Civil*

Code. The Settlement Class Representative and Settlement Class Members recognize that even if they later discover facts in addition to or different from those they know or believe to be true, they nevertheless agree that upon entry of the final approval order and judgment, the Settlement Class Representative and Settlement Class Members fully, finally, and forever settle and release any and all of the Released Claims. The foregoing waiver and release was bargained for and is a material element of this Settlement Agreement.

34. Without in any way limiting its scope, this Release encompasses, by example and without limitation, any and all claims for attorneys' fees, costs, expert fees, consultant fees, interest, litigation fees, costs, or any other fees, costs, or disbursements incurred by Settlement Class Counsel or by Plaintiff related to this Action, except to the extent otherwise specified in the Settlement Agreement.

35. The Settlement Class Representative expressly agrees that this Release will be and may be raised as a complete defense to and will preclude any action or proceeding relating to the Released Claims.

36. This Settlement Agreement and Release does not affect the rights of Class Members who timely and properly request exclusion from (opt-out of) the Settlement.

37. The Settlement Class Representative represents and warrants that he is the sole and exclusive owner of the claims he has asserted and is releasing under this Settlement Agreement. The Settlement Class Representative further acknowledges that he has not assigned, pledged, or in any manner whatsoever sold, transferred, assigned, or encumbered any right, title, interest, or claim arising out of or in any way whatsoever pertaining to the Action, including, without limitation, any claim for benefits, proceeds, or value under the Action, and that the Settlement Class

Representative is not aware of anyone other than himself claiming any interest, in whole or in part, in the Action or in any benefits, proceeds, or values under the Action.

38. The Settlement Class Representative further represents that, as of the date of this agreement, he is not aware of any Class Members who have filed claims or actions for the relief sought in this Action, other than the Settlement Class Representative.

39. The administration and consummation of the Settlement as embodied in this Settlement Agreement will be under the authority of the Court. The Court will retain jurisdiction to protect, preserve, and implement the Settlement Agreement including, but not limited to, the Release. The Court expressly retains jurisdiction to enter such further orders as may be necessary or appropriate in administering and implementing the terms and provisions of the Settlement Agreement.

40. Upon the Effective Date:

(a) the Settlement will be the exclusive remedy for any and all Settlement Class Members for Released Claims, except those who have properly requested exclusion from (opted out of) the Settlement in accordance with the terms and provisions hereof;

(b) the Defendant will not be subject to liability or expense of any kind to any Settlement Class Member(s) for Released Claims except as set forth in this Settlement Agreement; and

(c) Settlement Class Members will be permanently barred from initiating, asserting, or prosecuting any and all Released Claims against Defendant in any federal or state court in the United States or any other tribunal.

41. Without affecting the finality of the Final Approval Order and Judgment, the Court will retain continuing jurisdiction over the Action, the Parties and the Settlement Class, and all

matters relating to the interpretation, administration, implementation, effectuation and enforcement of the Settlement Agreement and this Settlement, which includes, without limitation, the Court's power pursuant to the All Writs Act, 28 U.S.C. § 1651, or any other applicable law, to enforce the above-described bar on and injunction against prosecution of any and all Released Claims.

42. Nothing in this Release will preclude any action to enforce the terms of the Settlement Agreement, including participation in any of the processes detailed herein.

ATTORNEYS' FEES AND EXPENSES AND SERVICE PAYMENT.

43. Settlement Class Counsel Fees and Expenses, and Class Representative Service Payment, if any, will be paid separate and apart from any relief provided to the Settlement Class and will not diminish the relief to the Settlement Class.

44. The Parties have agreed that Settlement Class Counsel may apply for an award of attorneys' fees, inclusive of costs and expenses, not to exceed \$800,000.00 in the aggregate. The Parties have further agreed that Settlement Class Counsel will not seek payment of any amount for any fees, costs, and expenses in excess of \$800,000.00 if the Court awards it.

45. Also, as part of the resolution of the Action, the Parties have agreed that Settlement Class Counsel will seek a Settlement Class Representative Service Payment of \$5,000.00 from the Court for the Class Representative. Settlement Class Counsel will apply to the Court for an award to the Class Representative for his effort, service, time, and expenses in connection with pursuing the case.

46. Defendant will pay the total amount of Settlement Class Counsel Fees, Expenses and Settlement Class Representative Service Payment awarded by the Court, subject to Settlement Class Counsel's and Defendant's agreed-upon amount, by check, within sixty (60) days of the

Court's execution of the Final Approval Order, Class Counsel request for attorneys' fees and the Settlement Class Representative Service Payment.

47. Defendant will not be liable for or obligated to pay any fees, expenses, costs, or disbursements to, or incur any expense on behalf of, any person or entity, either directly or indirectly, in connection with this Action, this Settlement Agreement, or the proposed Settlement, other than the amount expressly provided for in this Settlement Agreement.

48. Defendant is not responsible for any of Settlement Class Counsel's attorneys' fees, expenses, or costs other than those awarded by the Court pursuant to this agreement.

REPRESENTATIONS, WARRANTIES, AND COVENANTS.

49. Settlement Class Counsel, who are signatories hereof, represent and warrant that they have the authority, on behalf of Plaintiff and Settlement Class Counsel, to execute, deliver, and perform this Settlement Agreement and to consummate all of the transactions contemplated hereby. This Settlement Agreement has been duly and validly executed and delivered by Settlement Class Counsel and Plaintiff and constitutes their legal, valid, and binding obligation.

50. Defendant, through its undersigned attorneys, represents and warrants it has the authority to execute, deliver, and perform this Settlement Agreement and to consummate the transactions contemplated hereby. Defendant's execution, delivery, and performance of this Settlement Agreement and its consummation of the actions contemplated hereby have been duly authorized by all necessary corporate action on the part of Defendant. Defendant has duly and validly executed and delivered this Settlement Agreement, which constitutes its legal, valid, and binding obligation.

MISCELLANEOUS PROVISIONS.

51. The Parties expressly acknowledge and agree that this Settlement Agreement and the exhibits and related documents thereto along with all related drafts, motions, pleadings,

conversations, negotiations, and correspondence constitute an offer of compromise and a compromise within the meaning of Federal Rule of Evidence 408 and any equivalent rule of evidence in any state. In no event will this Settlement Agreement, any of its provisions, or any negotiations, statements, or court proceedings relating to its provisions in any way be construed as, offered as, received as, used as, or deemed to be evidence of any kind in the Action, any other action, or in any judicial, administrative, regulatory, or other proceedings, except in a proceeding to enforce this Settlement Agreement or the rights of the Parties or their counsel.

52. Without limiting the foregoing, this Settlement Agreement, the exhibits thereto, any related documents, any related negotiations, statements, or court proceedings will not be construed as, offered as, received as, used as, or deemed to be evidence or an admission or concession of any liability, wrongdoing, fault, or omission of any kind whatsoever by Defendant with respect to any alleged wrongdoing, fault, or omission of any kind whatsoever, regardless of whether or not this Settlement Agreement results in entry of a Final Approval Order as contemplated herein. Defendant specifically denies all of the allegations made in connection with the Action. Neither this Settlement Agreement nor any class certification pursuant to it will constitute, in this or in any other proceeding, an admission by the Defendant, or evidence or a finding of any kind, that any requirement for class certification is satisfied with respect to the Action, or any other litigation, except for the limited purpose of settlement pursuant to this Settlement Agreement. This Settlement Agreement also is made with the Parties' understanding and agreement that:

(a) under applicable laws, it is appropriate that a class be certified for settlement purposes only (*i.e.*, without needing to satisfy fully the standard required for certification of the matter for litigation purposes);

(b) Defendant contests and denies that any class, including the proposed Settlement Class, is suitable for certification as a class under the law of any jurisdiction, other than for the purposes of this Settlement Agreement; and

(c) notwithstanding any other provisions of this Settlement Agreement, all actions and proceedings pursuant to it will be consistent with the foregoing. This provision will survive the expiration or voiding of the Settlement Agreement.

53. This Settlement Agreement is entered into only for purposes of settlement. If the Court does not enter the Final Approval Order, then this Settlement Agreement, including any releases or dismissals hereunder, is canceled, and no term or condition of this Settlement Agreement, or any draft thereof, or of the discussion, negotiation, documentation, or other part or aspect of the Parties' settlement discussions will have any effect, nor will any such matter be admissible in evidence for any purpose, or used for any purposes whatsoever in the Action, and all Parties will be restored to their prior rights and positions as if the Settlement Agreement had not been entered into.

54. This Settlement Agreement will terminate by decision of either the Defendant or the Plaintiff, through Settlement Class Counsel, if:

(a) the Court, or any appellate court(s), rejects, modifies, or denies approval of any portion of this Settlement Agreement or the proposed Settlement that the terminating Party reasonably determines(s) is material, including without limitation, the terms of relief, the findings or conclusions of the Court, the provisions relating to notice, the definition of the Class, or the terms of the Release;

(b) the Court, or any appellate court, does not enter or completely affirm, or alters or expands, any portion of the Final Approval Order, or any of the Court's findings of fact or conclusions of law, that the terminating Party reasonably determine(s) is material; or

(c) more than two percent (2%) of Class Members exclude themselves from (opt out of) the Settlement. The terminating Party must exercise the option to withdraw from and terminate this Settlement Agreement, as provided in this paragraph, no later than twenty (20) days after receiving notice of the event prompting the termination.

55. Further, Defendant may unilaterally withdraw from and terminate this Settlement Agreement within twenty (20) days after receiving notice of either of the following events:

(a) any state attorney general, federal agency, or regulatory or administrative authority institutes a proceeding against the Defendant arising out of or otherwise related to the Release and any of the terms or conditions of this Settlement Agreement; or

(b) any federal or state regulator or agency:

(i) objects either to any aspect or term of the Settlement Agreement;

and

(ii) requires any substantial modification to the Settlement Agreement, including, without limitation, a constriction or expansion of the scope of the contemplated relief that Defendant, in its sole discretion, deems reasonably material.

56. If this Settlement Agreement is terminated pursuant to Paragraphs 54 or 55, above, then:

(a) This Settlement Agreement will be null and void and will have no force or effect and no Party to this Settlement Agreement will be bound by any of its terms, except for the terms set forth in this Paragraph 55;

(b) The Parties will petition to have lifted any stay orders entered pursuant to this Agreement;

(c) All of the provisions, and all negotiations, statements, and proceedings relating to it, will be without prejudice to the rights of Defendant, Plaintiff, or any Class Member, all of whom will be restored to their respective positions occupied as of August 21, 2025, except that the Parties will cooperate in requesting that the Court set a new scheduling order such that no Parties' substantive or procedural rights are prejudiced by the attempted settlement;

(d) Defendant expressly and affirmatively reserves all defenses, arguments, and motions as to all claims that have been or might later be asserted in the Action, including, without limitation, the argument that this Action may not be litigated as a class action;

(e) Neither this Settlement Agreement, nor the fact of its having been made, nor the negotiations leading to it, nor any discovery or action taken by a Party or Settlement Class Member pursuant to this Settlement Agreement, will be admissible or entered into evidence for any purpose whatsoever;

(f) Any Settlement-related order(s) or judgment(s) entered in this Action after the date of execution of this Agreement will be deemed vacated and will be without any force or effect;

(g) Settlement Class Members, Plaintiff, and Settlement Class Counsel will not in any way be responsible or liable for any Settlement administration expenses or taxes, including costs of notice and administration associated with this Settlement or this Agreement, except that each Party will bear its own attorneys' fees and costs and Defendant's future payment obligations will cease; and

(h) Defendant will have no further obligations to pay Settlement Class Members, Plaintiff, or Settlement Class Counsel under the terms of this Settlement set forth in this Agreement and will be responsible for only the Settlement Administration expenses and taxes actually incurred, for which Plaintiff and Settlement Class Counsel are not liable.

57. The headings of the sections and paragraphs of this Settlement Agreement are included for convenience only and will not be deemed to constitute part of this Settlement Agreement or to affect its construction.

58. This Settlement Agreement, including all exhibits attached hereto, may not be modified or amended except in writing and signed by all of the Parties and with approval of the Court.

59. This Settlement Agreement may be executed in one or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument. Signatures may be obtained electronically via DocuSign, AdobeSign, or similar service.

60. This Settlement Agreement and any amendments thereto will be governed by and construed in accordance with the substantive laws of the State of New Jersey. The Settlement Agreement will be interpreted and enforced pursuant to New Jersey law. Federal law (including Fed. R. Civ. P. 23 and federal case law) will govern approval of the settlement, preliminary and final certification of the Settlement Class, and all related issues such as Class Counsel's motion for attorneys' fees and expenses.

61. Any disagreement or action to enforce this Settlement Agreement will be commenced and maintained only in the Court in which this Action is pending.

62. Except as otherwise provided in this Settlement Agreement, each Party to this Settlement Agreement will bear his, her, or its own costs of the Action.

63. The Parties to this Settlement Agreement reserve the right, by agreement and subject to the Court's approval, to grant any reasonable extensions of time that may be necessary to carry out any of the provisions of this Settlement Agreement, as well as to correct any inadvertent, non-substantive mistakes or typographical errors contained in any of the Settlement papers, without additional costs or attorneys' fees.

64. The Parties will give proper notice of all applications for Court approval or Court orders required under this Settlement Agreement.

65. The determination of the terms of, and the drafting of, this Settlement Agreement, including its exhibits, has been by mutual agreement after negotiation, with consideration by and participation of all Parties and their counsel. Since this Settlement Agreement was drafted with the participation of all Parties and their counsel, the presumption that ambiguities will be construed against the drafter does not apply. Each of the Parties was represented by competent and effective counsel throughout the course of settlement negotiations and in the drafting and execution of this Settlement Agreement, and there was no disparity in bargaining power among the Parties to this Settlement Agreement. No parol or other evidence may be offered to explain, modify, construe, contradict, or clarify its terms, the intent of the Parties or their counsel, or the circumstances under which this Settlement Agreement was made or executed.

66. All of the exhibits to this Settlement Agreement are material and integral parts hereof and are fully incorporated herein by reference. This Settlement Agreement and the exhibits to it constitute the entire, fully integrated agreement among the Parties and cancel and supersede all prior written and unwritten agreements and understandings pertaining to the Settlement of the

Actions.

67. The Parties agree that any disputes regarding the meaning of the terms and conditions of this Settlement Agreement, the Parties' rights and obligations under this Settlement Agreement, or the manner in which any issue or dispute arising under this Settlement Agreement should be resolved, will be submitted to the Court for resolution.

68. The Parties agree and acknowledge that this Settlement Agreement includes a covenant of good faith and fair dealing.

69. Any Party's waiver of any other Party's breach of this Settlement Agreement will not be deemed a waiver of any prior or subsequent breach of this Settlement Agreement.

70. If one Party to this Settlement Agreement considers another Party to be in breach of its obligations under this Settlement Agreement, that Party must provide the breaching Party with written notice of the alleged breach within ten (10) days of discovery of the breach and provide a reasonable opportunity to cure the breach before taking any action to enforce any rights under this Settlement Agreement.

71. All time periods set forth herein will be computed in calendar days unless otherwise expressly provided. In computing any period of time prescribed or allowed by this Settlement Agreement or by order of the Court, the day of the act, event, or default from which the designated period of time begins to run will not be included. The last day of the period so computed will be included. When the action to be done is the filing of a paper in court, the last day of the period so computed will be included unless it is a Saturday, Sunday, or legal holiday, in which event the period will run until the end of the next day that is not one of the aforementioned days. As used in this paragraph "legal holiday" includes New Year's Day, Birthday of Martin Luther King, Jr., Presidents' Day, Memorial Day, Juneteenth, Independence Day, Labor Day, Indigenous

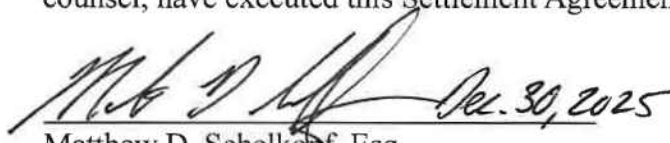
Peoples'/Columbus Day, Veterans' Day, Thanksgiving Day, Christmas Day, and any other day appointed as a holiday by the President or the Congress of the United States.

72. All notices to the Parties or counsel required by this Settlement Agreement will be made in writing and communicated by electronic and regular mail to the following addresses (unless one of the Parties subsequently designates one or more other designees):

If to Class Counsel: Matthew D. Schelkopf
Joseph B. Kenney
Sauder Schelkopf LLC
1109 Lancaster Avenue
Berwyn, PA 19312
jgs@sstriallawyers.com
mds@sstriallawyers.com
jbk@sstriallawyers.com

If to Defendant's Counsel: Christopher J. Dalton, Esq.
Agridia J. DiMarco, Esq.
Buchanan Ingersoll & Rooney PC
550 Broad Street, Suite 810
Newark, New Jersey 07102
christopher.dalton@bicp.com
agia.dimarco@bipc.com

IN WITNESS WHEREOF, Plaintiff and Defendant, by and through their respective counsel, have executed this Settlement Agreement as of the date(s) indicated on the lines below.

 Dec. 30, 2025

Matthew D. Schelkopf, Esq.
Joseph B. Kenney, Esq.
Sauder Schelkopf LLC
1109 Lancaster Avenue
Berwyn, Pennsylvania 19312
Date:

*Attorneys for Plaintiff
and the Settlement Class*

Signed by: Christopher Dalton 12/30/2025

Christopher J. Dalton, Esq.
Agridia J. DiMarco, Esq.
Melissa J. Bayly, Esq.
Jordynn E. Jackson, Esq.
Buchanan Ingersoll & Rooney PC
550 Broad Street, Suite 810
Newark, New Jersey 07102
Date:

*Attorneys for Defendant
BMW of North America, LLC*

EXHIBIT A

United States District Court for the District of New Jersey

If you are a current or former owner or lessee of certain model-year 2019 to 2020 BMW X3, X4, X5, X6, or X7 vehicles, you could get benefits from a class-action settlement.

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

- A nationwide settlement has been reached in a class action lawsuit against BMW of North America, LLC, entitled *Craft v. BMW of North America, LLC, et al.*, Case No. 2:24-cv-06826-WJM-CF, involving the shark-fin antenna in certain model-year 2019 to 2020 BMW vehicles.
- The Settlement provides an opportunity to be reimbursed for certain past expenses.
- **Your legal rights are affected whether you act or don't act, so please read this notice carefully.**

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:		
SUBMIT A CLAIM FORM	Make a claim to receive reimbursement for eligible past expenses potentially available to you under the Settlement.	Claims must be submitted by the later of thirty (30) days after the date of Final Approval of the Settlement or the Effective Date of the Settlement, to be posted on the Settlement Website but estimated to be on or about _____, 2026. See <i>Question 8, below.</i>
EXCLUDE YOURSELF	Write to Settlement Class Counsel and Defendant's Counsel to exclude yourself from ("opt out" of) the Settlement. This is the only option that allows you to be part of any other lawsuit, or your own lawsuit, against BMW of North America about the legal claims released in this Settlement.	Requests for Exclusion must be postmarked by _____, 2026. See <i>Question 12, below.</i>
OBJECT	Write to the judge about why you do not like the Settlement.	Objections must be postmarked by _____, 2026. See <i>Question 17, below.</i>
GO TO A HEARING	Ask to speak in court to the judge about the Settlement.	The Final Approval Hearing is currently scheduled for _____, 2026 at XX:XX a.m. See <i>Questions 19 to 21, below.</i>

QUESTIONS? CALL TOLL-FREE _____ OR VISIT [www.\[to be inserted\].com](http://www.[to be inserted].com)
PARA UNA NOTIFICACION EN ESPANOL, LLAMAR O VISITAR NUESTRO WEBSITE

DO NOTHING	Give up the benefits to which you may be entitled under the Settlement and your right to be part of any other lawsuit against the BMW of North America about the legal claims released by the Settlement (but not your right to future repairs under the extended warranty explained below).	<i>See Question 22, below.</i>
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- These rights and options -- **and the deadlines to exercise them** -- are explained in this notice.
- The Court in charge of this case still must decide whether to approve the Settlement **before any benefits can be distributed**. Please be patient and check the settlement website for updates.

WHAT THIS NOTICE CONTAINS

BASIC INFORMATIONPAGE

1. Why have I received this notice?
2. What is the lawsuit about?
3. Why is this a class action?
4. Why is there a Settlement?

WHO IS IN THE SETTLEMENTPAGE

5. How do I know if I am part of the Settlement?

THE BENEFITS: WHAT YOU GETPAGE

6. What are the benefits of the Settlement?
7. What am I giving up in exchange for the Settlement benefits?

HOW TO GET BENEFITS PAGE

8. How do I get the benefits of the Settlement?
9. What if my claim for benefits is denied?
10. When will I get the benefits?

EXCLUDING YOURSELF FROM THE SETTLEMENTPAGE

11. Can I exclude myself from this Settlement?
12. If I exclude myself, can I get anything from this Settlement?
13. If I don't exclude myself, can I sue later?
14. How do I exclude myself from the Settlement?

THE LAWYERS REPRESENTING THE CLASSPAGE

15. Are there lawyers representing the Class in this Settlement?
16. How will the lawyers be paid?

OBJECTING TO THE SETTLEMENTPAGE

17. How do I tell the Court if I don't like the Settlement?
18. What's the difference between objecting and excluding?

**QUESTIONS? CALL TOLL-FREE _____ OR VISIT [www.\[to be inserted\].com](http://www.[to be inserted].com)
PARA UNA NOTIFICACION EN ESPANOL, LLAMAR O VISITAR NUESTRO WEBSITE**

THE COURT’S FINAL APPROVAL HEARINGPAGE

- 19. When and where will the Court decide whether to approve the Settlement?
- 20. Do I need to go to the hearing?
- 21. May I speak at the hearing?

WHAT IF I DO NOTHING?PAGE

- 22. What happens if I do nothing?

GETTING MORE INFORMATIONPAGE

- 23. Can I get more details about the Settlement?

1. Why have I received this notice?

A Court has authorized this notice because you have a right to know about the proposed settlement of this class-action lawsuit, and your options, before the Court decides whether to give “final approval” to the Settlement. This notice explains the lawsuit, the proposed Settlement, and your legal rights. You have received this notice because BMW of North America’s records indicate that you are a current or former owner or lessee of one or more of the following vehicles purchased or leased in the United States, including the District of Columbia and Puerto Rico (“Class Vehicles”):

Model	Model Years	Production Range
X3	2019 - 2020	November 1, 2018 to March 31, 2020
X4	2019 - 2020	November 1, 2018 to March 31, 2020
X5	2019 - 2020	November 1, 2018 to March 31, 2020
X6	2019 - 2020	November 1, 2018 to March 31, 2020
X7	2019 - 2020	November 1, 2018 to March 31, 2020

District Judge William J. Martini of the United States District Court for the District of New Jersey is overseeing this class-action lawsuit, known as *Craft v. BMW of North America, LLC, et al., Case No. 2:24-cv-06826-WJM-CF* (the “Action”). Tim Craft, the person who sued, is called the “Plaintiff,” and the company that was sued, BMW of North America, LLC, is called the “Defendant.”

2. What is the lawsuit about?

This lawsuit alleges that the shark-fin antenna on Class Vehicles may not be fully sealed to the vehicle’s roof, leading to water infiltration and, possibly, damage to components located below the antenna (the “Sealing Defect”). BMW of North America, which distributes and warrants BMW vehicles in the U.S., denies these allegations and stands behind and supports its products.

3. Why is this a class action?

In a class action, one or more people called “Class Representatives” assert claims on behalf of people who have similar claims. All of these people are the “Class” or “Class Members.” One court resolves the issues for all Class Members, except for those who timely exclude themselves from (“opt out” of) the Class. The Class Representative in the Action is the Plaintiff identified above in Question 1. You have received this notice because you have been identified as a potential Class Member.

**QUESTIONS? CALL TOLL-FREE _____ OR VISIT [www.\[to be inserted\].com](http://www.[to be inserted].com)
 PARA UNA NOTIFICACION EN ESPANOL, LLAMAR O VISITAR NUESTRO WEBSITE**

4. Why is there a Settlement?

All parties have agreed to a Settlement to avoid further cost and risk of a trial, and so that the people affected can begin getting benefits in exchange for releasing the Defendant from liability for the claims that were raised or could have been raised in the Action involving the Class Vehicles’ alleged issues with the shark-fin antenna. The Settlement does not mean that BMW of North America broke any laws, or otherwise did anything wrong, because Judge Martini did not decide which side was right. The Class Representative and the lawyers representing him think the Settlement is fair and reasonable for the Class.

5. How do I know if I am part of the Settlement?

The Settlement Class includes all persons or entities in the United States, including the District of Columbia and Puerto Rico, who currently own or lease, or previously owned or leased, certain US-specification model-year 2019-2020 BMW vehicles purchased or leased, and registered and operated, in the United States, including the District of Columbia and Puerto Rico, which include the following vehicles:

Model	Model Years	Production Range
X3	2019 - 2020	November 1, 2018 to March 31, 2020
X4	2019 - 2020	November 1, 2018 to March 31, 2020
X5	2019 - 2020	November 1, 2018 to March 31, 2020
X6	2019 - 2020	November 1, 2018 to March 31, 2020
X7	2019 - 2020	November 1, 2018 to March 31, 2020

You have received this notice because BMW of North America’s records indicate that you have or had a BMW vehicle equipped with the shark-fin antenna that may be included in this Action.

6. What are the benefits of the Settlement?

If Judge Martini grants final approval of the Settlement and the Settlement becomes effective (the “**Effective Date**”), you may be eligible for **reimbursement** of costs you incurred for a “**Sealing-Defect Repair**” (repair of the Shark-Fin Antenna, telematics unit, and battery for telematics unit) on your Class Vehicle if you have already paid for such repairs, either at a BMW Center or an independent repair shop prior to the Effective Date, by filing a claim with the required proofs, which are detailed on the Claim Form and in the Settlement Agreement. If the Sealing-Defect Repair was performed at a BMW Center, you will be reimbursed 100% of the repair costs you incurred without any payment cap. If the repair was performed at an independent repair shop, you will be reimbursed 100% of the repair costs you incurred up to a cap of \$2,000. Reimbursement is limited to vehicles that were under 10 years old or 120,000 miles (whichever comes first) from the vehicle’s in-service date at the time of repair. *If you are unsure of your Vehicle’s in-service date, please check with your local BMW Center, which can look up the date based on your Vehicle Identification Number (VIN).* Reimbursement amounts will be reduced by goodwill or other adjustment, coupon, refund, or payment made by an authorized BMW Center, BMW NA, any person or entity associated with BMW NA, an insurer, or a provider of an extended service contract

In addition, if Judge Martini grants final approval of the Settlement, for 60 days after entry of the Final Approval Order, BMW Centers will provide no-cost Sealing-Defect Repairs for any Class Vehicle, regardless of age or mileage.

QUESTIONS? CALL TOLL-FREE _____ OR VISIT [www.\[to be inserted\].com](http://www.[to be inserted].com)
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Finally, regardless of whether Judge Martini grants final approval of the Settlement, BMW NA has **extended** its New Vehicle Limited Warranty, as it relates to the Sealing Defect in Class Vehicles, to 10 years or 120,000 miles (whichever comes first) from the vehicle’s in-service date to cover all costs associated with diagnostics and Sealing-Defect Repair(s). After the mailing date of this Class Notice, any Class Vehicle that requires a Sealing-Defect Repair will be repaired by a BMW Center free of charge during the Extended Warranty Period. No reimbursement will be eligible or available for out-of-pocket costs incurred for Sealing-Defect Repairs after the mailing date of this Class Notice. *If you experience the Sealing Defect after you receive this Class Notice, you must take your vehicle to a BMW Center if you want the free repair offered under the limited warranty extension.*

* * *

Limitations: BMW of North America does not warrant or guarantee any do-it-yourself repairs or repairs performed at independent (non-BMW Center) repair shops and, should any such repairs fail after a Settlement Class Member has made a reimbursement claim under the Settlement, the Settlement Class Member will not be entitled to submit an additional claim or seek replacement under the extended warranty. BMW of North America does not warrant replacement parts that were not certified by the original equipment manufacturer. The limited warranty extension will not apply to vehicles declared a total loss, sold for salvage purposes, or branded with a “salvage” or “flood” title. There are additional limitations and exclusions from reimbursement and extended-warranty coverage set forth in BMW of North America’s New Passenger Vehicle Limited Warranty and in the Settlement Agreement, which can be viewed at [www.\[to be inserted\].com](http://www.[to be inserted].com).

In order to obtain reimbursement for eligible past out-of-pocket expenses, you must submit a Claim Form and include all of the documentation described in the Settlement Agreement and identified on the Claim Form.

7. What am I giving up in exchange for the Settlement benefits?

If the Settlement becomes final, Class Members will release BMW of North America and related people and entities from all of the claims described and identified in Paragraphs 33 and 34 of the Settlement Agreement. In essence, Class Members are releasing all claims (except for personal injury or damage to property other than the Class Vehicle) that could arise based on alleged defect in shark-fin antenna in the Class Vehicles. The Settlement Agreement is available at [www.\[to be inserted\].com](http://www.[to be inserted].com). The Settlement Agreement describes the released claims with specific descriptions, in necessarily precise legal terminology, so read it carefully.

Judge Martini has appointed specific lawyers to represent the Class in this lawsuit and Settlement. You can contact one of the lawyers listed in Question 15 below, free of charge, if you have questions about the released claims or what they mean. You can also speak with your own lawyer, should you have one, about this Settlement.

8. How do I get the benefits of the Settlement?

If you are a Class Member and would like to obtain the reimbursement benefits (described in Question 6 above), you need to complete the Claim Form that accompanies this Notice and mail it, with all the required proofs, to the address provided on the Claim Form **or** file the Claim Form online through the Settlement website portal. Additional Claim Forms are available at [www.\[to be inserted\].com](http://www.[to be inserted].com). The current deadline for submitting your Claim Form is _____, **2026. Claim Forms submitted after the Claims Submission Period are not eligible for reimbursement.**

These benefits are also subject to limitations, which are discussed in Question 6 and in the Settlement Agreement. If you have any questions on how to complete the Claim Form or what information is needed, you can call the

**QUESTIONS? CALL TOLL-FREE _____ OR VISIT [www.\[to be inserted\].com](http://www.[to be inserted].com)
PARA UNA NOTIFICACION EN ESPANOL, LLAMAR O VISITAR NUESTRO WEBSITE**

toll-free number at the bottom of this notice.

9. What if my claim for reimbursement benefits is denied?

There is a process in the Settlement Agreement to allow you to cure deficient claims, such as those claims missing required documentation, as well as a process to validate your claim. If the independent claims administrator determines that your claim is deficient, the claims administrator will notify you and allow you thirty (30) days to cure. If the claims administrator determines that your claim is still invalid, it will notify you of that decision, which is final. If you have questions regarding this process, visit [www.\[to be inserted\].com](http://www.[to be inserted].com) to see a copy of the Settlement Agreement, or contact Class Counsel below.

10. When will I get the Settlement benefits?

If you have submitted a claim, your Claim Form will be processed and payments will be issued on a continuing, rolling basis **after the Effective Date**, which will be after the Court’s Final Approval hearing, scheduled for _____ 2026, and all appeals, if any, are resolved.

Please be patient, and feel free to check the website for current status.

11. Can I exclude myself from this Settlement?

Yes. If you want to keep the right to sue or if you are already suing BMW of North America in another action over the legal issues in this case, then you must take steps to do so. This is called asking to be excluded from – sometimes called “opting out” of – the Settlement.

12. If I exclude myself, can I get anything from this Settlement?

No. If you ask to be excluded, you will not receive any of the reimbursement benefits of the Settlement and you cannot object to the Settlement; your Class Vehicle will, however, still receive the limited warranty extension described in Question 6, above. If you opt-out of the Settlement you may sue, continue to sue, or be part of a different lawsuit against BMW of North America in the future, including for claims that this Settlement resolves. You will not be bound by anything that happens in this lawsuit.

13. If I don’t exclude myself, can I sue later?

No. Unless you exclude yourself, you give up the right to sue BMW of North America for the claims that this Settlement resolves.

14. How do I exclude myself from the Settlement?

To exclude yourself from the Settlement, you must send a letter by mail to the Claims Administrator saying that you want to be excluded from *Craft v. BMW of North America, LLC, et al.*, Case No. 2:24-cv-06826-WJM-CF. Be sure to include: (1) your full name and current address; (2) the model-year, model, and Vehicle Identification Number (“VIN”) of your Class Vehicle(s) and the date(s) of purchase/lease; (3) specifically and clearly state your desire to be excluded from the Settlement and from the Settlement Class; and (4) your signature. You cannot ask to be excluded over the phone or via the internet. You must mail your request to be excluded, postmarked no later than _____, 2026, to Claims Administrator at the address listed in Question 17.

QUESTIONS? CALL TOLL-FREE _____ OR VISIT [www.\[to be inserted\].com](http://www.[to be inserted].com)
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Failure to comply with any of these requirements for excluding yourself will result in you being bound by this Settlement.

15. Are there lawyers representing the Class in this Settlement?

The Plaintiffs and the Class have been represented by the law firm of Sauder Schelkopf LLC, who Judge Martini has approved as “Class Counsel” to represent Class Members:

Matthew D. Schelkopf
Joseph B. Kenney
Sauder Schelkopf LLC
1109 Lancaster Avenue
Berwyn, PA 19312

The Class will not be charged for these lawyers. BMW of North America will pay the Class Counsel attorneys’ fees, costs, and expenses separate and apart from any relief provided to the Class and such payment will not reduce the value of the benefits distributed to Class Members. If you want to be represented by another lawyer, you may hire one to appear in Court for you at your own expense.

16. How will the lawyers be paid?

As part of the resolution of the Action, Class Counsel and BMW of North America have agreed that Class Counsel may apply for an award of attorneys’ fees, costs, and expenses not to exceed \$800,000.00, and a service payment for the Class Representative not to exceed \$5,000.00. BMW of North America will pay the Class Counsel attorneys’ fees, costs, and expenses, and the Class Representative service payment, separate and apart from any relief provided to the Class and will not reduce the value of the benefits distributed to Class Members. BMW of North America will also separately pay the costs to administer the Settlement. Judge Martini will determine the amount of attorneys’ fees, costs, expenses, and service payment after evaluating Plaintiff’s submission.

17. How do I tell the Court if I don’t like the Settlement?

If you don’t like some part of the Settlement, you can object to it. You can give reasons why you think Judge Martini should not approve it. To object, you must send a letter to the Clerk of the Court saying that you object to the Settlement *Craft v. BMW of North America, LLC, et al.*, Case No. 2:24-cv-06826-WJM-CF. You must include: (1) your full name, current address, current telephone number, and the name of your lawyer and your lawyer’s address if you are represented by a lawyer other than Class Counsel; (2) the model year, model, and VIN of your Class Vehicle(s) and the date(s) of purchase or lease; (3) whether the objection applies only to you, to a specific subset of the Class, or to the entire Class; (4) the reasons why you object and the factual and legal reasons for your objection (including all relevant documents that pertain to your objection); (5) copies of relevant repair history or other proof that you have owned or leased the Class Vehicle (*i.e.*, a true copy of a vehicle title, registration, or license receipt); (6) a statement that you have reviewed the Settlement Class definition and understand that you are a Settlement Class Member, and you have not opted out of the Settlement Class; (7) a detailed list of any other objections to any class action settlements you have submitted in the previous five (5) years to any court, whether state, federal, or otherwise, in the United States; (8) a Notice of Intention to Appear at the Final Approval Hearing, if you intend to appear in person at the hearing; and (9) your signature. **The objection must be mailed to the Court, the Claims Administrator, Class Counsel, and Defendant’s Counsel at the addresses below.** The mailed copies must be postmarked on or before _____, 2026:

QUESTIONS? CALL TOLL-FREE _____ OR VISIT [www.\[to be inserted\].com](http://www.[to be inserted].com)
PARA UNA NOTIFICACION EN ESPANOL, LLAMAR O VISITAR NUESTRO WEBSITE

COURT	Clerk of Court United States District Court for the District of New Jersey Rev. Dr. Martin Luther King, Jr. Federal Building & US Courthouse 50 Walnut Street Newark, New Jersey 07102
CLAIMS ADMINISTRATOR	<i>Craft</i> Claims Administrator c/o PO Box XXXX City, State XXXXX-XXXX
CLASS COUNSEL	Matthew D. Schelkopf Joseph B. Kenney Sauder Schelkopf LLC 1109 Lancaster Avenue Berwyn, PA 19312
DEEFENDANT'S COUNSEL	Christopher J. Dalton Argia J. DiMarco Buchanan Ingersoll & Rooney PC 550 Broad Street, Suite 810 Newark, New Jersey 07102-4582

18. What’s the difference between objecting and excluding?

Objecting is simply telling Judge Martini that you don’t like something about the Settlement. You can object only if you stay in the Settlement. Excluding yourself is telling Judge Martini that you don’t want to be part of the Settlement. If you exclude yourself, you have no basis to object because the Settlement no longer affects you.

19. When and where will Judge Martini decide whether to approve the Settlement?

Judge Martini will hold a “Final Approval Hearing” to decide whether to approve the Settlement on _____, **2026 at XX:00 a.m.**, at the United States District Court for the District of New Jersey, Rev. Dr. Martin Luther King, Jr. Federal Building & US Courthouse, 50 Walnut Street, Newark, New Jersey 07102. At this hearing, Judge Martini will determine whether the Settlement is fair, adequate, and reasonable and whether Class Members’ objections, if any, have merit. If you have filed an objection on time, you may attend and ask to speak, but you don’t have to. However, Judge Martini will only listen to people who have properly requested to speak at the hearing (*see* Question 21 below). At this hearing, Judge Martini will also decide the service payment for the Class Representative, as well as the attorney’s fees for the lawyers representing the Class Members. We do not know how long the Court’s decision will take, and the hearing date may change due to other court business. You should monitor [www.\[to be inserted\].com](http://www.[to be inserted].com) to find out if any dates have changed and to learn if Judge Martini has approved the Settlement.

20. Do I need to go to the hearing?

No. Class Counsel will answer any questions Judge Martini may have, but you are welcome to come at your own expense. If you send an objection, you don’t have to come to Court to talk about it. As long as you mail your valid written objection on time, Judge Martini will consider it. You may also pay another lawyer to attend, but that’s not required.

21. May I speak at the hearing?

QUESTIONS? CALL TOLL-FREE _____ OR VISIT [www.\[to be inserted\].com](http://www.[to be inserted].com)
PARA UNA NOTIFICACION EN ESPANOL, LLAMAR O VISITAR NUESTRO WEBSITE

You may ask Judge Martini for permission to speak at the Final Approval Hearing. To do so, you must file a “Notice of Intent to Appear” in *Craft v. BMW of North America, LLC, et al., Case No. 2:24-cv-06826-WJM-CF*. Be sure to include your name, address, telephone number, signature, and other requirements outlined in Question 17. Your Notice of Intent to Appear must be postmarked no later than _____, 2026, and mailed to the addresses listed in Question 17. You cannot speak at the hearing if you have excluded yourself from the Settlement.

22. What if I do nothing?

If you do nothing, you will remain part of this Settlement and give up the right to be part of any other lawsuit against Defendant about the legal claims released by the Settlement. You will not receive any of the reimbursement benefits described in Question 6 offered by this Settlement unless you timely submit a Claim Form. Your vehicle will, however, still get the benefit of the extended warranty, if applicable.

23. Can I get more details about the Settlement?

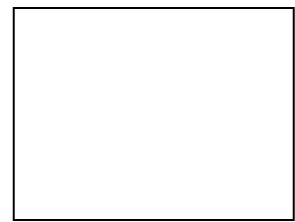
This notice summarizes the proposed Settlement. More details are in the Settlement Agreement. You can review the Settlement Agreement and related documents at [www.\[to be inserted\].com](http://www.[to be inserted].com).

QUESTIONS? CALL TOLL-FREE _____ OR VISIT [www.\[to be inserted\].com](http://www.[to be inserted].com)
PARA UNA NOTIFICACION EN ESPANOL, LLAMAR O VISITAR NUESTRO WEBSITE

EXHIBIT B

This form must be submitted or postmarked on or before _____, 2026

CLAIM FORM TO RECEIVE REIMBURSEMENT FOR ELIGIBLE PAST EXPENSES IN CRAFT v. BMW OF NORTH AMERICA, LLC, Craft v. BMW of North America, LLC, No. 2:24-cv-06826-WJM-CF (D.N.J.)



GENERAL INSTRUCTIONS

You may be eligible for reimbursement for costs (parts and labor) for repair or replacement of the Shark-Fin Antenna, telematics unit, and battery for the telematics unit in your Class Vehicle.

Complete this form only if you wish to make a claim for reimbursement of eligible Settlement expenses related to certain 2019-2020 BMW X3, X4, X5, X6, or X7 vehicles. Please refer to Questions 6 through 8 on the Notice form for more information and limitations.

To receive a payment under this Settlement, you must submit a claim on or before the later of 30 days after the date of Final Approval of the Settlement or the Effective Date of the Settlement, to be posted on the Settlement Website but estimated to be _____, 2026.

Claim Forms may be submitted electronically at [www.\[insert website\].com](http://www.[insert website].com) or, using this Claim Form, by mail to the address below. Please type or legibly print all requested information in blue or black ink. Mail your completed Claim Form, including any supporting documentation, by U.S. Mail to:

Craft Claims Administrator
c/o Kroll Settlement Administration LLC
[P.O. Box _____]
[City, State, ZIP Code]

PLEASE COMPLETE THIS CLAIM FORM ONLY IF YOU ARE SEEKING REIMBURSEMENT BENEFITS FOR PRIOR REPAIRS.

Questions? Call toll-free _____ or visit [www.\[insert website\].com](http://www.[insert website].com).

I. SETTLEMENT CLASS MEMBER INFORMATION

You must supply all of the following information

to receive reimbursement for eligible past expenses under this Settlement.

Name: _____

Address: _____

Email: _____

BMW Model Year: 20 __ __ Model: _____ (ex: X5)

Vehicle Identification Number: _____

(The VIN has 17 characters and can be found on the metal plate at the bottom of the driver’s side front windshield or on your sale or title documents. When providing your VIN, please note that VINs only use numbers not letters.)

Date of Purchase/Lease: _____

Location of Prior Repair or Replacement on the above Class Vehicle (select one):

Authorized BMW dealer

Independent repair shop

PLEASE COMPLETE THIS CLAIM FORM ONLY IF YOU ARE SEEKING REIMBURSEMENT BENEFITS FOR PRIOR REPAIRS.

PLEASE SEE QUESTIONS 6 THROUGH 8 ON THE NOTICE FORM FOR MORE INFORMATION AND LIMITATIONS.

Questions? Call toll-free _____ or visit [www.\[insert website\].com](http://www.[insert website].com).

II. CLAIMS REIMBURSEMENT FOR PAST EXPENSES

You must submit this Claim Form to obtain reimbursement for a prior repair or replacement of the Shark-Fin Antenna, telematics unit, and battery for the telematics unit on your Class Vehicle. If the Claims Administrator approves your claim, you may be entitled to full reimbursement of any prior costs incurred at a BMW Center (dealer) for any Shark-Fin Antenna repairs, or up to \$2,000 in costs incurred at an independent repair shop for one Shark-Fin Antenna repair. You must submit documents showing:

- That the replacement was made at an authorized BMW dealer (e.g., a BMW Center), or at an independent repair shop; *and*
- If made at an independent repair shop, the business license or authorization that proves the shop is registered with the state; *and*
- Your Settlement Class Vehicle’s model, model year, and VIN; *and*
- The identity of the owner/lessee of the Settlement Class Vehicle; *and*
- That your Settlement Class Vehicle had fewer than 10 years and 120,000 miles at the time of the repair, as evidenced by proof such as a repair order with vehicle mileage at the time of replacement or service records from before and after the replacement; *and*
- The cost of repair, with parts and labor separated; *and*
- Proof of payment for the amount(s) sought for reimbursement (credit card receipt, credit card statement, or cancelled check); *and*
- The nature of the repair; *and*
- The part(s) description and part number(s) used in the repair; *and*
- The date of repair.

Use the boxes above to confirm you’ve provided the required information.

Total Amount of Repair or Replacement Costs Claimed: \$ _____

COMPLETED CLAIMS FORMS CAN BE SUBMITTED BY MAIL OR ONLINE.

IF SUBMITTING BY **MAIL**, COMPLETE THIS CLAIM FORM AND MAIL IT, POSTMARKED ON OR BEFORE the later of 30 days after the date of Final Approval of the Settlement or the Effective Date of the Settlement, to be posted on the Settlement Website but estimated to be _____, **2026** to:

Craft Claims Administrator
[PO Box _____]
[City, State, ZIP Code]

Questions? Call toll-free _____ or visit [www.\[insert website\].com](http://www.[insert website].com).

IF SUBMITTING **ONLINE**, COMPLETE AND SUBMIT THE CLAIM FORM AVAILABLE AT [WWW.\[INSERT WEBSITE\].COM](http://WWW.[INSERT WEBSITE].COM) ON OR BEFORE the later of 30 days after the date of Final Approval of the Settlement or the Effective Date of the Settlement, to be posted on the Settlement Website but estimated to be _____, **2026**.

Questions? Call toll-free _____ or visit [www.\[insert website\].com](http://www.[insert website].com).

III. CLAIMANT DECLARATION

I declare under penalty of perjury that the information above and the documents I have supplied are true and correct.

Signed on: _____

(DD/MM/YYYY)

in _____, _____.
(City) (State)

(Sign your name here)

(Type or print your name here)

(Capacity of person signing - if applicable)

Questions? Call toll-free _____ or visit [www.\[insert website\].com](http://www.[insert website].com).

EXHIBIT C

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

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

Plaintiff,

v.

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

Defendants.

Case No.: 2:24-cv-06826-WJM-CLW

**[PROPOSED] ORDER GRANTING
PRELIMINARY APPROVAL TO THE
CLASS ACTION SETTLEMENT**

WHEREAS, pursuant to Fed. R. Civ. P. (“Rule”) 23(a), 23(b)(3), and 23(e), the Parties seek entry of an order, *inter alia*, granting Plaintiffs’ Unopposed Motion for Preliminary Approval of the Class Action Settlement (“Settlement”), and (i) preliminarily approving the Settlement pursuant to the terms and provisions of the Settlement Agreement and Release dated December 30, 2025, with attached exhibits (“Settlement Agreement”); (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; 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 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 Claim Form (Exhibits A and B to the Settlement Agreement). 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 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 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. 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	_____, 2026 [75-days after issuance of Preliminary Approval Order]
Settlement Class Counsel’s Motion for Settlement Class Counsel Fees, Expenses and Settlement Class Representative Service Payment	_____, 2026 [106-days after issuance of Preliminary Approval Order]
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	_____, 2026 [120-days after issuance of Preliminary Approval Order]

Deadline for Mailing Requests for Exclusion from the Settlement	_____, 2026 [120-days after issuance of Preliminary Approval Order]
Plaintiffs to file Motion for Final Approval of the Settlement	_____, 2026 [135-days after issuance of Preliminary Approval Order]
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.,	_____, 2026 [135-days after issuance of Preliminary Approval Order]
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	_____, 2026 at _____ [150-days after issuance of Preliminary Approval Order]
Claims Submission Period	Thirty (30) days after the entry of the Final Approval Order or the Effective Date, whichever is later.

SO ORDERED:

Date: _____

Honorable William J. Martini
United States District Judge