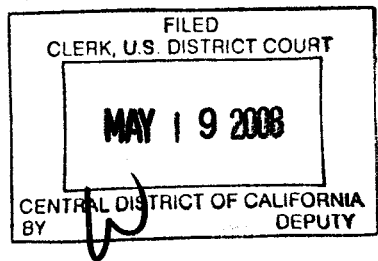


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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION**

ALEXANDRA OLSON, an individual
on behalf of herself and all other
similarly situated,

Plaintiff,

vs.

VOLKSWAGEN OF AMERICA, INC.,
and DOES 1 through 500, Inclusive,

Defendants.

CASE NO. CV07-05334 R (JTLx)
CLASS ACTION
**~~REVISED [PROPOSED]~~ ORDER
CONDITIONALLY CERTIFYING
SETTLEMENT CLASS,
PRELIMINARILY APPROVING
CLASS SETTLEMENT AND FORM
OF NOTICE, AND DIRECTING
NOTICE TO BE SENT TO THE
SETTLEMENT CLASS**

District Judge: Hon. Manuel L. Real;
Disc. Magistrate Judge: Hon. Jennifer
T. Lum

Date: May 19, 2008
Time: 10:00 a.m.
Ctrm: 8

1 Plaintiff, Alexandra Olson (“Plaintiff”) and Defendant Volkswagen of
2 America, Inc. (“Volkswagen”) have entered into an Agreement of Settlement
3 (“Settlement Agreement”) dated April 25, 2008 to settle the above-captioned lawsuit
4 (the “Lawsuit”). Plaintiff and Volkswagen have filed a Joint Motion for Preliminary
5 Approval of the Proposed Settlement (the “Motion for Preliminary Approval”). The
6 Settlement Agreement, together with the documents and exhibits incorporated
7 therein, set forth the terms and conditions for a proposed settlement and dismissal
8 with prejudice of the Lawsuit.

9
10 Having reviewed the Agreement of Settlement, the Motion for Preliminary
11 Approval, the pleadings and other papers on file in this action, and statements of
12 counsel, the Court finds that the Motion for Preliminary Approval should be
13 GRANTED and that this Order should be entered. Terms and phrases used in this
14 Order shall have the same meaning ascribed to them in the Agreement of
15 Settlement.

16
17 **NOW, THEREFORE, IT IS HEREBY ORDERED THAT:**

18
19 1. The Court hereby gives its preliminary approval to the Settlement
20 Agreement, subject to the Final Approval Hearing for purposes of deciding whether
21 to grant final approval to the settlement.

22
23 2. Pursuant to Federal Rule of Civil Procedure 23, the Court conditionally
24 certifies for settlement purposes only the following Settlement Class:

25
26 All persons who are now or have been at any time owners of record or
27 lessees of any model year 2000-2003 Audi A4 and Audi TT vehicles
28 equipped with 1.8 liter turbocharged engines, and all model year 1999

1 Volkswagen Passat vehicles equipped with 1.8 liter turbocharged
 2 engines (“Settlement Class Vehicles”) distributed by defendant
 3 Volkswagen Group of America, Inc., sued herein under its former
 4 name Volkswagen of America, Inc, in its own name or doing business
 5 as Audi of America, Inc., for sale in the United States. The
 6 Settlement Class excludes persons who validly and timely exclude
 7 themselves from the Settlement Class, and persons who have settled
 8 with and released Defendant from individual claims substantially
 9 similar to those alleged in this matter.

10

11 The Court expressly reserves the right to determine, should the occasion arise,
 12 whether the above-captioned Lawsuit may be certified as a class action for purposes
 13 other than settlement, and Defendants retain all right to assert that the Lawsuit may
 14 not be certified as a class action except for settlement purposes.

15

16 3. The Court hereby appoints the following attorneys to act as Settlement
 17 Class Counsel:

18

19 CLIFFORD H. PEARSON
 20 GARY S. SOTER
 21 DANIEL L. WARSHAW
 22 **PEARSON, SIMON, SOTER, WARSHAW & PENNY, LLP**
 15165 Ventura Boulevard, Suite 400
 Sherman Oaks, California 91403
 Telephone: (818) 788-8300
 Facsimile: (818) 788-8104

23

24 BRUCE L. SIMON
 25 **PEARSON, SIMON, SOTER, WARSHAW & PENNY, LLP**
 44 Montgomery Street, Suite 1200
 San Francisco, California 94104
 Telephone: (415) 433-9000
 Facsimile: (415) 433-9008

26

27 ///

28 ///

1 ROBERT L. STARR
2 **THE LAW OFFICES OF ROBERT L. STARR**
3 23277 Ventura Boulevard
4 Woodland Hills, California 91364
5 Telephone: (818) 225-9040
6 Facsimile: (818) 225-9042

7
8 4. The Court hereby appoints Alexandra Olson as the representative of the
9 Settlement Class.

10 5. The Court finds that the proposed settlement is sufficiently fair,
11 adequate and reasonable to allow dissemination of notice of the proposed settlement
12 to the members of the Settlement Class. This determination permitting notice to the
13 Settlement Class is not a final finding, but a determination that there is probable
14 cause to submit the proposed Settlement Agreement to the Settlement Class
15 members and to hold a Final Approval Hearing to consider the fairness,
16 reasonableness, and adequacy of the proposed settlement.

17 6. The Court appoints Rust Consulting, Inc.. as the Settlement
18 Administrator.

19 7. The Court approves the forms of Notice without material alteration
20 from the forms attached as Exhibits "A," (notice regarding Volkswagen vehicles)
21 "B" (notice regarding Audi vehicles), "C" (published notice) "F" (letter to
22 Volkswagen owners) and "G" (letter to Audi owners) to the Agreement of
23 Settlement. The Court directs that within 60 calendar days after the date of this
24 Order, Volkswagen and R.L. Polk Co. shall deliver to the Settlement Administrator
25 what they believe in good faith to be a complete listing of the names and last known
26 addresses of all known members of the Settlement Class. The Court further directs
27 the Settlement Administrator to address by first class mail, postage pre-paid by the
28 defendants, the Notice postmarked within 74 calendar days after the date of this

1 Order (the "Notice Date"), unless extended by Order of this Court, to each such
2 person by United States Mail at the last recorded address provided by Defendants.
3 The Settlement Administrator shall promptly remail any notices returned by the
4 Postal Service with forwarding addresses that are received by the Settlement
5 Administrator. The Claim Form must be postmarked with in 60 calendar days of the
6 Notice Date to be considered timely. The costs of administration shall be borne by
7 the Volkswagen.

8
9 8. The Court approves the Volkswagen and Audi claim forms and
10 instructions without material alteration from the form of Exhibits "D" and "E" (the
11 "Claim Form") to the Agreement of Settlement. The Court directs that the Claim
12 Form be available upon request (either by letter, by telephone, or by e-mail) from
13 the Settlement Administrator and downloadable from the Internet website
14 containing the Notice.

15
16 9. The Court directs the Settlement Administrator to maintain an Internet
17 website that includes, at a minimum, (a) an electronic version of the Mailed Notice;
18 and (b) a "PDF" copy of the Claim Form that a Settlement Class Member can print
19 out and submit to the Settlement Administrator.

20
21 10. The Court further directs that the Settlement Administrator provide
22 notice by publication of a 1/8 page legal advertisement for one day in one national
23 weekday (Monday-Thursday) edition of the USA Today.

24
25 11. The Court finds that taken together the mailing, Internet posting, and
26 publication of the Notice (i) are the best practicable notice, (ii) are reasonably
27 calculated, under the circumstances, to apprise members of the Settlement Class of
28 the pendency of the Lawsuit and of their right to object or to exclude themselves

1 from the proposed settlement, (iii) are reasonable and constitute due, adequate, and
2 sufficient notice to all persons entitled to receive notice, and (iv) meet all applicable
3 requirements of due process and any other applicable requirements under federal
4 and California law.

5

6 12. The Court orders the Settlement Administrator to file proof of mailing
7 of the Notice, maintenance of the Internet website containing the Notice, and
8 publication of the Notice, at or before the Final Approval Hearing.

9

10 13. Any member of the Settlement Class who wishes to be excluded from
11 the Settlement Class must comply with the terms set forth in Paragraph 7.3 of the
12 Agreement of Settlement and section 8 of the Notice (Exhibits "A" and "B" to the
13 Agreement of Settlement) and submit an appropriate and timely request for
14 exclusion postmarked no later than thirty (30) calendar days after the Notice Date to
15 the Settlement Administrator at the address provided in the Notice Form.

16

17 14. Any Settlement Class Member who submits a request for exclusion
18 with a timely postmark may not file an Objection to the Settlement and shall be
19 deemed to have waived any rights or benefits under this Agreement.

20

21 15. Any member of the Settlement Class, who does not timely request
22 exclusion as set forth in the Mailed Notice shall be preliminarily enjoined from: (i)
23 filing, commencing, prosecuting, intervening in, or participating as plaintiff,
24 claimant, or class member in any other lawsuit or administrative, regulatory,
25 arbitration, or other proceeding in any jurisdiction based on arising out of the claims
26 and causes of action, in the Lawsuit and/or the Released Claims, as defined in the
27 Settlement Agreement; (ii) filing, commencing, or prosecuting a lawsuit or
28 administrative, regulatory, arbitration, or other proceeding as a class action on

1 behalf of any members of the Settlement Class who have not timely excluded
2 themselves (including by seeking to amend a pending complaint to include class
3 allegations or seeking class certification in a pending action), based on arising out of
4 the claims and causes of action, in the Lawsuit and/or the Released Claims; and (iii)
5 attempting to effect an opt-out of a class of individuals in any lawsuit or
6 administrative, regulatory, arbitration, or other proceeding based on or arising out of
7 the claims and causes of action, in the Lawsuit and/or the Released Claims.

8

9 16. Any member of the Settlement Class who does not timely request
10 exclusion as set forth in the Notice shall be bound by all proceedings, orders, and
11 judgments in the Lawsuit, even if such member of the Settlement Class has
12 previously initiated or subsequently initiates individual litigation or other
13 proceedings encompassed by the Released Claims.

14

15 17. Any member of the Settlement Class who does not timely request
16 exclusion as set forth in the Notice, and who wishes to object to the fairness,
17 reasonableness, or adequacy of the proposed settlement must send a written
18 objection with the Court and serve the objection with Settlement Administrator,
19 Plaintiff's Counsel, and Defendant's Counsel no later thirty (30) days after the
20 Notice of Mailing. In his/her Objections, an objecting Settlement Class Member
21 must: (a) set forth his/her full name, current address and telephone number; (b)
22 identify the approximate date of acquisition and Vehicle Identification Number for
23 his/her Settlement Class Vehicle; (c) state that the objector has reviewed the
24 Settlement Class definition and understands that he/she is a Settlement Class
25 Member; (d) set forth a complete statement of all legal and factual bases for any
26 Objection that the objector wishes to assert; and (e) provide copies of any
27 documents that the objector wishes to submit relating to his/her position.

28

1 18. In addition to the requirements set forth in Paragraph 17, above,
2 objecting class members must state in writing whether the Objector intends to
3 appear at the Fairness Hearing(s) either with or without separate counsel. No
4 member of the Settlement Class shall be entitled to be heard at the Fairness Hearing
5 (whether individually or through separate counsel) or to object to the Settlement,
6 and no written objections or briefs submitted by any member of the Settlement Class
7 shall be received or considered by the Court at the Fairness Hearing, unless written
8 notice of the class member's intention to appear at the Fairness Hearing and copies
9 of any written objections or briefs have been sent to the Court and served on counsel
10 for the Parties at the addresses set forth in Paragraph 17 on or before the date
11 specified in the Preliminary Approval Order and Notice. Members of the Settlement
12 Class who fail to send to the Court and serve timely written objections in the manner
13 specified above shall be deemed to have waived any objections and shall be
14 foreclosed from making any objection (whether by appeal or otherwise) to the
15 Settlement.

16
17 19. Not later than fifteen (15) business days after the deadline for
18 submission of requests for exclusion, the Settlement Administrator shall provide to
19 Class Counsel and Defense Counsel a complete exclusion list together with copies
20 of the exclusion requests.

21
22 20. Any petition for award of attorney's fees or reimbursement of litigation
23 costs and expenses shall be filed prior to the Final Approval Hearing.

24
25 21. The hearing regarding Final Approval and Plaintiff's Motion for
26 Attorney's Fees and Costs shall be held on November 3, 2008 at 10:00 a.m. before
27 the undersigned for the purpose of determining (a) whether the proposed settlement
28 is fair, adequate and reasonable and should be finally approved by the Court; (b)

1 whether to issue a final judgment in the Litigation, and (c) whether to approve any
2 petition for an award of attorney's fees as set forth in the Settlement Agreement.

3

4 22. The Court reserves the right to adjourn or continue the Final Approval
5 Hearing, or any further adjournment or continuance thereof, without further notice
6 other than announcement at the Final Approval Hearing or at any adjournment or
7 continuance thereof, and to approve the settlement with modifications, if any,
8 consented to by the counsel for the Settlement Class and Defendants without further
9 notice.

10

11 23. All pretrial proceedings in the Lawsuit are stayed and suspended until
12 further order of this Court.

13

14 IT IS SO ORDERED.

15

16 DATED: May 19, 2008

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The Honorable Manuel L. Real
United States District Judge

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