

NATURE OF CASE

1. This class action concerns Defendants' manufacture and sale of defective automobiles which can suddenly and without warning accelerate out of control.

2. In the last four months, Defendants have instituted at least three voluntary recalls of these defective automobiles. The first recall occurred on September 29, 2009 and Defendants claimed that the sudden unintended acceleration problem was caused by defective floor mats. The second recall occurred in early January 2010 and expanded the first recall to include additional models within the scope of the first recall and again identifying the issue as a problem with floor mats in the automobiles. The third voluntary recall was announced on January 21, 2010, and included a different set of automobiles, some within the scope of the first two recalls, but others not. This third recall attributed the risk of sudden unintended acceleration to the "possibility that certain accelerator pedal mechanisms may, in rare instances, mechanically stick in a partially depressed position or return slowly to the idle position. . . ." In total, these three recalls encompass well over 4 million vehicles (the "Recalled Vehicles").

3. In conjunction with the third voluntary recall, Defendants publicly announced on January 26, 2010, that they would cease sales of eight models falling within the scope of the January 21, 2010, recall. Defendants did not state when sales of these eight models would resume, instead stating "[t]his action is necessary until a remedy is finalized."