Oil Consumption Class Action Law Suit - Frequently Asked Questions

TO: SDC EST CEN WST

FROM: Subaru of America, Inc.

DEPARTMENT: Parts & Service

DATE: 04/14/2016

CATEGORY: Show in all Categories

Click here to review the FAQ's on the Oil Consumption Class Action Law Suit. Please ensure that your service managers and advisors are familiar with this information and use this for any customer inquiries. Of course, you can reference the website (www.oilconsumption.settlementclass.com) and direct them to the special phone number for Customer-Retailer Services (CRS) which is 1-855-384-8926.

Also, with respect to warranty coverage, on April 13, the revised bulletin (Engine Oil Consumption - 02-157-14R) was posted with coverage instructions. Repairs are covered under Basic (3/36,000), Powertrain (5/60,000) the warranty extension (8/100,000) and for the first year of the warranty extension, repairs are covered even if the vehicle is over the 100,000 miles.

Thanks for your support in handling this sensitive customer situation.

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SUBARU-Class Action Lawsuit-Oil Consumption Frequently Asked Questions April 2016

1. What is a class action lawsuit?

A class action is a lawsuit brought by one or more plaintiffs on behalf of a group of individuals making the same or similar claims against a company or another individual.

2. What is the lawsuit about?

The lawsuit involves certain purchased and leased Subaru vehicles for model years 2011 through 2015. A list of the specific vehicles involved in this lawsuit can be found in the Settlement Class Notice. A copy of that notice was mailed to all known class members and can be found at www.oilconsumption.settlementclass.com. Plaintiffs allege that the vehicles suffer from a design defect that causes them to consume an excessive amount of engine oil. The lawsuit alleges that Subaru has violated certain consumer statutes and breached certain warranties. Subaru denies these allegations, maintains that these vehicles do not consume excessive amounts of engine oil and are not defective. Subaru maintains that the vehicles function in a proper manner, were properly designed, manufactured, distributed, marketed, advertised, warranted and sold and denies any wrongdoing. The Court has not resolved the merits of any of the claims or defenses in the lawsuit.

3. Why is this lawsuit being settled?

The parties are settling the lawsuit because they believe that the Proposed Settlement is fair, reasonable, and adequate and is in the best interest of Settlement Class Members and each of the defendants, and that a settlement is the most efficient and cost-effective way to resolve their disputes.

4. Why is this called a Proposed Class Action Settlement?

The Settlement is "Proposed" at this point because it has been preliminarily approved by the Court and will be the subject of a later Court hearing called a "Fairness Hearing," which is currently scheduled for 10:00 a.m. on July 26, 2016. At that hearing, the Court will make a final decision as

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to whether the Settlement is fair, reasonable, and adequate to Settlement Class Members, and whether the Settlement should be approved. Reimbursement to eligible Settlement Class Members will not be provided until after the Court's final approval of the Proposed Settlement.

5. Who is a Settlement Class Member?

You are a Settlement Class Member if you purchased or leased one of the specific Subaru vehicles listed in the Settlement Class Notice, and you purchased your vehicle in the continental United States of America (including Alaska), as defined in the Settlement Class Notice mailed to Class Members. These vehicles are identified in this document as "Class Vehicles."

6. What is offered under the Proposed Settlement?

The Proposed Settlement provides a number of benefits for Settlement Class Members:

- A. An extension of the Powertrain Limited Warranty, to cover repairs by an authorized Subaru retailer as needed to correct excessive oil consumption, to a period of eight (8) years or one hundred thousand (100,000) miles, whichever occurs first ("Extended Warranty"). If your Settlement Class Vehicle already exceeds eight (8) years or one hundred thousand (100,000) miles, your warranty may be extended for a duration of one (1) year. Repairs will be made as necessary based on the results of a qualifying oil consumption test conducted by an authorized Subaru retailer.
- B. To the extent not previously reimbursed, a cash reimbursement will be available if you previously paid out-of-pocket for (1) costs associated with an oil consumption test performed on your vehicle, and/or (2) a repair to your vehicle to address excessive oil consumption. To receive a cash reimbursement, you must mail in the Claim Form, together with the proof described in that form. The mailing must be postmarked on or before October 1, 2016. Cash reimbursements will be made only if the Court approves the Settlement. A claim form that describes the materials to be submitted is available on this website, www.oilconsumption.settlementclass.com.

- C. To the extent not previously reimbursed, a cash reimbursement will be available if, you made qualifying out-of-pocket payments for the purchase of engine oil, and you meet certain requirements as outlined herein. You may be reimbursed for up to six (6) quarts of oil, if you presented your vehicle to an authorized Subaru retailer and complained of excessive oil consumption. In that case, you may be reimbursed for one (1) quart of engine oil for every 10,000 odometer miles, for the first 60,000 odometer miles on your vehicle. To receive reimbursement, you must submit (1) proof of purchase, and (2) a certification that you presented the vehicle to an authorized Subaru retailer for excessive oil consumption, or that you are a member of the United States armed forces, and were stationed, with the Settlement Class Vehicle, outside of the continental United States at the time the expenses were incurred. To receive a cash reimbursement, you must mail in the Claim Form, together with the proof described in that form. The mailing must be postmarked on or before October 1, 2016. Cash reimbursements will be made only if the Court approves the Settlement. A claim form that describes the materials to be submitted is available on this website, www.oilconsumption.settlementclass.com.
- D. To the extent not previously reimbursed, a cash reimbursement of up to \$90 will be available, if you made qualifying out-of-pocket payments for a rental car while your Settlement Class Vehicle underwent repairs related to excessive oil consumption.

7. How do I participate in the Proposed Settlement?

If the Proposed Settlement is approved, all Settlement Class Members who qualify for the Extended Warranty will automatically receive the extension described above. Subaru will notify authorized retailers regarding the Settlement and the extended warranty. You are not required to submit a Claim Form to receive the benefit of the 8 year/100,000 mile Extended Warranty. If you have already paid for a repair, purchased additional oil or paid for rental vehicles and towing incurred as a result of the oil consumption related repair, you must mail in the Claim Form, together with the proof described in that form. The mailing must be postmarked on or before

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October 1, 2016. Cash reimbursements will be made only if the Court approves the Settlement.

Claim Forms are available on this website, www.oilconsumption.settlementclass.com.

8. If I already paid for a repair, or incurred other covered expenses under the Settlement,

what information do I need to include with the claim form to be reimbursed?

Settlement Class Members seeking cash reimbursement must submit genuine and legible copies

of documents proving that you are a Class Member and that your claim satisfies the requirements

for a reimbursement, which may include receipts, credit card statements, bank statement,

invoices, or historical accounting record receipts. The Claim Form describes in detail the

documentation and information that must be submitted in support of your claim.

9. How and when do I submit my claim form?

You may submit a Claim Form now or wait until the Proposed Settlement is finally approved.

(Once the Proposed Settlement is approved, you will have until October 1, 2016 to submit a

claim.) You must submit your Claim Form by mail along with the required documentation. Please

mail your claim form to:

Subaru of America, Inc.

Customer Retailer Services Department

Attention: Oil Consumption Settlement

P.O. Box 6000

Cherry Hill, NJ 08034-6000

10. When can I expect to receive my benefit?

If the Proposed Settlement is approved at the July 26, 2016 Fairness Hearing and there are no

appeals, all Settlement Class Members who qualify for the Extended Warranty will automatically

receive the extension described above. Settlement Class Members who submit properly

completed Claim Forms and are eligible for cash reimbursement for repairs or covered expenses

can expect to receive reimbursement within sixty days of the Effective Date of the settlement, as

defined in the Settlement Agreement. A copy of the Settlement Agreement can be found at

www.oilconsumption.settlementclass.com.

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11. Do I have to be present at the Fairness Hearing?

No. Unless you object to the terms of the Proposed Settlement, you will be represented at the Fairness Hearing by Class Counsel approved by the Court.

12. What if I have other questions about the Proposed Settlement or my claim?

Efforts have been made to make the claims procedure as easy as possible. If, however, you still have questions about the Proposed Settlement or your claim, you can call Subaru at 1-855-384-8926 for assistance. A dedicated group of customer service representatives has been established for your benefit. Its personnel have been specially trained to assist you. You can also find helpful information on this website at www.oilconsumption.settlementclass.com.

13. What if I am not satisfied with Subaru's decision on my claim?

All disputes concerning your claim should be first addressed to Subaru by calling 1-855-384-8926. If you cannot resolve your differences through Subaru, you may submit your dispute to the Better Business Bureau's (BBB's) Autoline dispute resolution process. All decisions by the BBB Autoline will be final and binding. Subaru will pay any costs charged by the BBB for resolving the dispute, but you will be responsible for your own attorney's fees, should you retain an attorney, and other expenses.

Subaru Oil Consumption

Oil Consumption Home

This website provides information about a proposed settlement of a class action lawsuit claiming that certain 2011-2015 Subaru vehicles consumed excessive amounts of engine oil. The Lawsuit claims that Settlement Class Vehicles were improperly designed, manufactured, distributed, marketed, advertised, and sold, that consumer statutes were violated and applicable warranties were breached. The Lawsuit seeks certification of a nationwide class of all present and former purchasers and lessees of Settlement Class Vehicles to pursue the claims.

Defendants deny these claims. Defendants maintain that the Settlement Class Vehicles do not consume excessive amounts of engine oil and are not defective. Defendants maintain that the Settlement Class Vehicles function(ed) in a proper manner, were properly designed, manufactured, distributed, marketed, advertised, warranted and sold, and that Defendants did not violate any warranties, statutes or laws.

Without any finding of liability or wrongdoing on the part of Defendants, the Court has preliminarily approved a settlement of the Lawsuit pursuant to which benefits will be made available to past and present owners or lessees of Settlement Class Vehicles purchased in the continental United States.

If the settlement is approved, Subaru has agreed to provide settlement benefits which are further described in the Frequently Asked Questions which can be found on this website.

The Court will hold a Fairness Hearing at 10 a.m. on July 26, 2016 in Courtroom 4A at the United States District Court for the District of New Jersey, Camden Division. At this hearing the Court will consider whether the Settlement is fair, reasonable and adequate. If there are objections, the Court will consider them. The Court may listen to people who have asked to speak at the hearing. The Court may also decide how much to pay Class Counsel and whether to approve service awards. After the hearing, the Court will decide whether to approve the Settlement. We do not know how long it will take for the Court to make its decision.