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

WILLIAM W. MCGEE, on behalf of himself and all others similarly situated,

Civil Action No. 2:06-CV-06234 (GEB) (CCC)

Plaintiff,

-against-

CONTINENTAL TIRE NORTH AMERICA, INC.

Defendant.

2 orondane.

NOTICE OF CLASS ACTION, PROPOSED SETTLEMENT, AND FAIRNESS HEARING

A Federal Court authorized this notice. This is not a solicitation from a lawyer.

YOU ARE NOT BEING SUED.

If you purchased or leased a Chrysler or Dodge vehicle with certain factory installed Continental Tires or purchased proper replacement Continental tires since 2003, the proposed settlement of a class action lawsuit may affect your rights.

Your legal rights are affected whether you act or don't act. **Read this notice carefully because it explains decisions** you must make and actions you must take <u>now</u>.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:				
DO NOTHING	You get no payment. You give up your rights.			
SUBMIT A CLAIM FORM	This is the only way to get a payment.	The Claim Form, which is attached to this notice as Appendix B, must be completed and postmarked on or before September 15, 2010, subject to the qualifications and requirements addressed below.		
EXCLUDE YOURSELF	You get no payment under the settlement. This is the only choice that will allow you to sue Continental on your own about the claims discussed in this notice.	An exclusion request must be in writing and postmarked on or before September 15, 2008.		
Овјест	You can write to the Court about why you do not agree with the settlement.	An objection must be in writing and filed and received on or before September 15, 2008.		
GO TO A HEARING	You can ask to speak to the Court about the "fairness" of the settlement, after you submit your objection.	A Notice of Intention to Appear must be in writing, filed and received on or before September 15, 2008 in addition to submitting a timely objection.		

- These rights and options and the deadlines to exercise them are explained in this notice.
- The Court still has to decide whether to approve the settlement. Payments will be distributed if the Court approves the settlement and after appeals, if any, are resolved in favor of the settlement. Please be patient.
- If you do not exclude yourself from the Class, the proposed settlement (if approved) will release certain claims, which are reprinted in full in Appendix A to this notice, and will affect your right to start or continue any other lawsuit or proceeding involving your Eligible Tires.

WHAT THIS NOTICE CONTAINS

	WHY YOU HAVE RECEIVED THIS NOTICE	
1. 2.	WHY DID I RECEIVE THIS NOTICE?	
3.	WHAT DOES THE SETTLEMENT PROVIDE?	
4.	: DESCRIPTION OF THE CLASS WHY IS THIS A CLASS ACTION?	
4. 5.	AM I A MEMBER OF THE CLASS?	
6.	ARE THERE EXCEPTIONS TO BEING INCLUDED?	
7.	WHAT ARE "ELIGIBLE TIRES"?	
8.	I'M STILL NOT SURE IF I'M INCLUDED.	
	I: DECISIONS YOU MUST MAKE NOW	
9.	WHAT DO I NEED TO DO NOW?	
9. 10.	WHAT DO I GIVE UP IF I CHOOSE TO STAY IN THE CLASS?	
10.	DO I HAVE TO SIGN A RELEASE?	
12.	WHAT IF I DO NOTHING?	5
	V: SETTLEMENT BENEFITS – WHAT YOU CAN GET	
13.	WHAT CAN I GET FROM THE SETTLEMENT?	
13. 14.	HOW CAN I MAKE A CLAIM?	
1 4 . 15.	WHAT IS THE CLAIM REVIEW PROCESS?	
16.	HOW MUCH IS THE CLAIM REVIEW PROCESS WORTH TO THE CLASS?	
17.	WHAT HAPPENS AFTER ALL CLAIMS ARE PROCESSED AND THERE ARE FUNDS REMAINING?	
18.	WHEN WILL I GET MY PAYMENT, IF ANY?	
19.	WILL THE SETTLEMENT HAVE TAX CONSEQUENCES FOR ME?	
PART V	: CAN I FILE A LATER LAWSUIT MAKING SIMILAR CLAIMS?	8
PART V	I: THE LAWYERS REPRESENTING THE CLASS	8
20.	DO I HAVE A LAWYER IN THIS CASE?	
21.	HOW WILL THE LAWYERS AND CLASS REPRESENTATIVES BE PAID?	9
PART V	II: EXCLUDING YOURSELF FROM THE SETTLEMENT	9
22.	HOW DO I GET OUT OF OR EXCLUDE MYSELF FROM THE SETTLEMENT?	
23.	WHAT HAPPENS IF I EXCLUDE MYSELF FROM THE CLASS?	10
24.	IF I DON'T EXCLUDE MYSELF, CAN I SUE CONTINENTAL LATER?	10
PART V	III: OBJECTING TO THE SETTLEMENT	10
25.	HOW CAN I OBJECT TO THE PROPOSED SETTLEMENT?	
26.	WHAT IS THE DIFFERENCE BETWEEN "OBJECTING" AND "EXCLUDING"?	
PART IX	X: THE COURT'S FAIRNESS HEARING	11
27.	WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT?	
28.	DO I HAVE TO COME TO THE HEARING?	
29.	MAY I SPEAK AT THE FAIRNESS HEARING?	
30.	WHAT DO I HAVE TO DO TO SPEAK AT THE FAIRNESS HEARING?	12
PART X	: GETTING ADDITIONAL INFORMATION	12

PART I: WHY YOU HAVE RECEIVED THIS NOTICE

1. WHY DID I RECEIVE THIS NOTICE?

You received this notice because you may be eligible to receive payment from the proposed settlement of a class action lawsuit that was brought on behalf of a Class of persons or entities who purchased or received Eligible Tires, as further discussed below, from Continental Tire North America, Inc. ("Continental"), an automobile tire manufacturer.

The Court sent you this notice because you have a right to know about the proposed settlement of this class action lawsuit, and about your rights and options, before the Court decides whether to approve the settlement. If the Court approves the class action settlement, and after any appeals are resolved in favor of the settlement, an Administrator appointed by the Court will make the payments that the settlement allows. You will be informed of the progress of this settlement and may receive payment if you are a Class Member and submit a completed and timely Claim Form.

This package explains: (1) this lawsuit, (2) the proposed settlement, (3) your legal rights, (4) what payments are available, (5) who is eligible for what payments under the settlement, (6) how to get a payment, and (7) other important information.

The essential terms of the settlement are summarized below. The Settlement Agreement sets forth in greater detail the rights and obligations of the parties. If there is any conflict between this notice and the Settlement Agreement, the Settlement Agreement governs.

2. WHAT IS THIS LAWSUIT ABOUT AND WHY DID IT SETTLE?

The lawsuit, William W. McGee v. Continental Tire North America, alleged that Continental breached certain warranties and violated a consumer fraud statute relating to the performance of certain of its tires that were installed on some Chrysler, Dodge and other manufacturers' automobiles between 2003 and 2008. McGee alleged that Continental failed to disclose at the time they marketed, warranted, sold or delivered the ContiSeal tires to consumers that the tires would incur abnormal and premature treadwear, often requiring replacement within the first 20,000 miles of use. Continental denies any and all allegations of wrongdoing 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 in this lawsuit or in any similar action.

The parties negotiated the proposed settlement with an understanding of the factual and legal issues that would affect the outcome of this class action. A related lawsuit is pending in Pennsylvania, *Robert Reibstein v. Continental Tire North America, Inc.*, Civil Action No. 2:07-cv-302-LP (E.D. Pa.) ("*Reibstein*"), which is also being settled as part of the Settlement Agreement. The plaintiffs, through their attorneys, thoroughly examined and investigated the facts and law relating to the issues in both cases, extensively reviewed thousands of pages of documents produced by Continental, and conducted interviews with various Continental witnesses.

The parties believe that the settlement is fair, reasonable and adequate and will provide substantial benefit to the Class, based on their knowledge of the litigation, and their experience.

The Court has not decided whether the plaintiffs' claims or Continental's defenses have any merit, and it will not do so if the proposed settlement is approved. The proposed settlement does not suggest that Continental has or has not done anything wrong, or that the plaintiffs and the Class would or would not win their case if it were to go to trial.

3. WHAT DOES THE SETTLEMENT PROVIDE?

The settlement provides that Continental will pay no less than \$5 million and no more than \$8 million to resolve all timely and valid Claims submitted through the Claim Process, as further described below.

If you are a Class Member who purchased or received any of the Eligible Tires from January 1, 2003 to July 14, 2008, as further described below, you may be eligible for payment if you complete and submit a Claim Form with documentation before the deadline, subject to certain conditions and limitations. In return for the benefits in this settlement, and if the settlement is implemented, the Class will release Continental and others for the claims discussed in Appendix A, and this case and *Reibstein* will be dismissed with prejudice, among other terms.

PART II: DESCRIPTION OF THE CLASS

4. WHY IS THIS A CLASS ACTION?

This case is known as *William W. McGee v. Continental Tire North America*, Case No. 2:06-CV-06234. The Court in charge of this case is the United States District Court for the District of New Jersey. The named person who sued is the Plaintiff, and the company he sued, Continental, is the Defendant.

In a class action, one or more people, called Class Representatives (in this case, William W. McGee and Robert Reibstein), sue on behalf of people who have similar claims. All these people are a Class or are Class Members. One Court resolves the issues for all Class Members, except for those who exclude themselves from the Class.

5. AM I A MEMBER OF THE CLASS?

With some limited exceptions, described below, the Class encompasses all persons or entities that purchased or received Eligible Tires as part of an automobile purchase or lease transaction and/or purchased or received Eligible Tires to replace other tires, including, but not limited to, Eligible Tires, between January 1, 2003 and July 14, 2008.

6. ARE THERE EXCEPTIONS TO BEING INCLUDED?

The Class does not include the following persons or entities:

- Continental or any of its Board members or executive level officers, including its attorneys;
- Persons or entities who have a claim for personal injury or damage to property, other than to the Eligible Tires themselves;
- Original equipment automobile manufacturers;
- Purchasers of Eligible Tires or of automobiles on which Eligible Tires were installed for the purpose of leasing, renting, resale or distribution;
- The Judge and Magistrate Judge and their immediate families presiding over this lawsuit or *Reibstein*;
- Governmental entities; and
- Persons or entities that have timely and properly excluded themselves from the settlement.

7. WHAT ARE "ELIGIBLE TIRES"?

"Eligible Tires" include the following Continental tires, purchased or otherwise obtained as new tires by Class Members, between January 1, 2003 and July 14, 2008:

P215/65R17 98T ContiTouringContact with Conti*Seal
P225/60R18 99H ContiTouringContact with Conti*Seal
P225/60R18 99H ContiTouringContact without Conti*Seal

Tires purchased as used tires or that were otherwise not new tires are not Eligible Tires.

For illustrative purposes and not by way of limitation, Eligible Tires also were installed as original equipment on the following Chrysler (formerly DaimlerChrysler) and Dodge vehicle models from model year 2003 up to and including model year 2008:

Chrysler 300	Dodge Magnum SXT
Chrysler 300 Touring	Dodge Magnum R/T
Chrysler 300 Limited	Dodge Charger SE
Chrysler 300C	Dodge Charger SXT
Dodge Magnum SE	Dodge Charger R/T

Eligible Tires may have been installed on makes and models of other vehicles during this same time period as proper replacements.

QUESTIONS? VISIT WWW.TIRESETTLEMENT.COM OR CALL TOLL-FREE 1 (800) 430-8741

8. I'M STILL NOT SURE IF I'M INCLUDED.

If you do not understand whether or not you are a Class Member, you can visit our web site, www.tiresettlement.com, or you can contact Class Counsel.

PART III: DECISIONS YOU MUST MAKE NOW

9. WHAT DO I NEED TO DO NOW?

FIRST, you must decide <u>now</u> whether you wish to remain in the Class or to exclude yourself from the Class. If you want to be excluded from the Class, you must notify the Court as described below **no later than September 15, 2008**. **If you exclude yourself**:

- You will **not** be eligible for payment under the settlement.
- You will **not** be able to object to the proposed settlement and to appear at the Fairness Hearing.
- You will <u>not</u> be bound by any orders or judgments entered in this case, if the proposed settlement is approved.

SECOND, if you remain in the Class, you may object to any part of the proposed settlement by filing a written objection with the Court. The Court and the parties must **receive** your written objection **no later than September 15, 2008**.

Additionally, if you file an objection, you may also decide to appear and speak at the Court's Fairness Hearing regarding the settlement of this lawsuit. If you wish to appear and speak at the Court's Fairness Hearing, you must have first submitted an objection and file a Notice of Intention to Appear at the Fairness Hearing that must be <u>received</u> by September 15, 2008.

10. WHAT DO I GIVE UP IF I CHOOSE TO STAY IN THE CLASS?

If you choose to remain in the Class, you may submit a Claim Form and may receive payment under the settlement if you satisfy the requirements of the Settlement Agreement, but you will also be bound by all orders, injunctions, and judgments in this case, whether favorable or unfavorable. You will not be able to start, continue or otherwise participate in any other claim, lawsuit or other proceeding against Continental if those claims have been (or could have been) asserted in this lawsuit.

11. DO I HAVE TO SIGN A RELEASE?

No. If you remain in the Class, you automatically give up your rights to pursue or continue any action against Continental relating to your Eligible Tires and the claims at issue in this lawsuit. Class members are releasing a wide range of claims in order to receive the benefits in the Settlement Agreement. A word-for-word copy of the Release is attached to this notice as Appendix A.

12. WHAT IF I DO NOTHING?

If you do nothing, you will <u>not</u> get benefits from the settlement. You must complete and send a Claim Form before the deadline, which is September 15, 2010, in order to be considered for payment under the settlement.

Unless you exclude yourself from the Class, all of the Court's orders will apply to you and you won't be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Continental about the claims in this lawsuit, ever again, regardless of whether you submit a Claim Form.

PART IV: SETTLEMENT BENEFITS - WHAT YOU CAN GET

13. WHAT CAN I GET FROM THE SETTLEMENT?

The amount of the cash payment you may be entitled to under the proposed settlement depends upon the size of the tire, the number of tires at issue, the number of miles driven on the Eligible Tires and other factors. The assumed purchase price for an Eligible Tire is \$60 for <u>each</u> 17" Eligible Tire and \$120 for <u>each</u> 18" Eligible Tire, subject to the <u>deductions</u> discussed below.

If you do not indicate the size of your Eligible Tire on your Claim Form, any potential payment you may be entitled to will be based on the 17" tire refund amount.

For each Eligible Tire you submit a Claim for through the Claim Form, you may receive, subject to any reductions and limitations discussed below:

- 75% of the refund amount for each Eligible Tire driven between 0 miles and 12,000 miles;
- 50% of the refund amount for each Eligible Tire driven between 12,001 miles and 20,000 miles;
- 25% of the refund amount for each Eligible Tire driven between 20,001 miles and 30,000 miles.

Miles	Payment for 17" Tire	Payment for 18" Tire
0 - 12,000	75% x \$60 = \$45	75% x \$120 = \$90
12,001 – 20,000	50% x \$60 = \$30	50% x \$120 = \$60
20,001 – 30,000	25% x \$60 = \$15	25% x \$120 = \$30

If you previously received a warranty or policy adjustment or credit, this amount will be deducted from any settlement amount.

14. HOW CAN I MAKE A CLAIM?

To receive a payment under the settlement, you must send in a Claim Form. A Claim Form and directions are attached as **Appendix B** to this notice. You may also print a Claim Form and other relevant documents at www.tiresettlement.com. Read the instructions and certification carefully, fill out the form completely and accurately, include all the documents the Claim Form requests, sign it and mail it **postmarked** no later than September 15, 2010.

15. WHAT IS THE CLAIM REVIEW PROCESS?

You will be eligible for payment provided that you are a Class Member and you complete and timely submit the Claim Form to the Court-appointed Notice and Settlement Administrator ("Administrator"), together with any required documentation, demonstrating purchase or receipt of an Eligible Tire between January 1, 2003 and July 14, 2008. **The deadline to submit Claim Forms is September 15, 2010.**

Shortly after receipt of the Claim Form, the Administrator will review, prepare, and forward the Claim Form to Continental. Continental may review the Claim Form and approve or contest any Claim. If Continental does not contest a Claim, the Administrator will pay that Claim.

If Continental contests a Claim, including but not limited to, requesting supporting documentation, Continental will notify the Administrator, who will mail, within ten (10) business days, a letter that advises you of the reason(s) why the Claim Form was contested and request, if applicable, any and all additional information and/or documentation to validate the Claim and have it submitted for payment. You will have thirty-five (35) days from the date of the **postmarked** letter sent by the Administrator to respond to the Administrator's request.

If you timely provide the requested information and/or documentation, the Claim will be deemed validated and shall be paid by the Administrator. If you do not timely and completely provide the requested information and/or documentation, the Administrator will send you a letter stating that the Claim has been denied. The Administrator's determination of a Claim is final and may not be appealed by anyone.

16. HOW MUCH IS THE CLAIM REVIEW PROCESS WORTH TO THE CLASS?

Continental will pay not less than \$5 million and not more than \$8 million to resolve all timely and valid Claims submitted to the Claim Process. Pursuant to Court Order, Continental has deposited \$5 million into an Escrow Account for distribution by the Administrator and will make additional deposits, if necessary, until the \$8 million cap is reached.

Unless all of the timely, valid and approved Claims submitted amount to or exceed \$8 million, all funds deposited into the Escrow Account by Continental will be used to pay:

- (i) All timely, valid and approved Claims;
- (ii) Any incentive awards to the Class Representatives awarded by the Court;
- (iii) Class Counsel's fees and costs awarded by the Court;
- (iv) Any and all notice and Claim processing administrative fees and costs; and
- (v) Any bank fees and costs associated with administering the settlement.

The Escrow Account will not be used to pay Continental's attorneys' fees and costs.

The payment of approved Claims will occur between six and twenty-four months after the beginning of the Claim Period, which begins on September 15, 2008. However, if there are appeals or similar activity, there will be a delay in the payment of Claims until the appeals or other acts are resolved in favor of the settlement.

Additionally, if the total amount of timely, valid and approved Claims exceeds the amount specified for a particular Claim determination period, then the latest filed approved Claims shall be placed into the next period for payment until the maximum amount specified for the affected Claim determination period is not exceeded. If, during the last Claim determination period, there are too many eligible Claimants, each Claimant's award shall be reduced *pro rata*.

The amounts for the Claim determination periods are:

- If, at the end of six months the total amount of approved Claims is less than \$4 million, all of these pending Claims will be paid in full.
- If the total amount of approved Claims to be paid during the sixth through twelfth month period is less than \$2 million, all of these pending Claims will be paid in full.
- If the total amount of approved Claims to be paid during the twelfth through eighteenth month period is less than \$1 million, all of these pending Claims will be paid in full.
- If the total amount of approved Claims to be paid during the eighteenth through twenty-fourth month period is less than \$1 million, all of these pending Claims will be paid in full.

17. WHAT HAPPENS AFTER ALL CLAIMS ARE PROCESSED AND THERE ARE FUNDS REMAINING?

If, after the full distribution of funds, there are any funds remaining and the Escrow Account has paid out **less than \$5 million** for all purposes indicated above, the parties may either: (a) make a recommendation to the Court for the distribution of the remaining funds to a non-profit organization that would benefit the Class as a whole as part of a *cy pres* award; or (b) agree to extend the period in which Claims are submitted to the Claims Process and paid, to the extent that the amount paid from the Escrow Account does not exceed \$5 million.

18. WHEN WILL I GET MY PAYMENT, IF ANY?

The Court will hold a Fairness Hearing on October 21, 2008 at 12:00 noon to decide whether or not to approve the proposed settlement. The Court must approve the proposed settlement before any payments can be made. The Court will grant its approval only if it finds that the proposed settlement is fair, reasonable and adequate. In addition, the Court's order may be subject to appeals. It is always uncertain whether these appeals can be resolved, and resolving them takes time, sometimes more than a year. Finally, there remains a possibility that this settlement may be terminated for other reasons. Everyone who sends in a Claim Form will be informed of the progress of the settlement. Please be patient.

19. WILL THE SETTLEMENT HAVE TAX CONSEQUENCES FOR ME?

Your receipt of a payment under the proposed settlement may have tax consequences for you. You should consult your own tax advisors to determine any Federal, state, local, or foreign tax consequences that could result from accepting or pursuing any payment under the proposed settlement.

PART V: CAN I FILE A LATER LAWSUIT MAKING SIMILAR CLAIMS?

No. If you remain a member of the Class and the Settlement is finally approved, you will be automatically enjoined and barred from initiating or continuing any lawsuit or other proceeding against Continental if those claims have been (or could have been) asserted in this lawsuit.

As part of this settlement, the Court has preliminarily enjoined all Class Members and/or their representatives (who do not timely exclude themselves from the Class) from filing, commencing, prosecuting, maintaining, intervening in, participating in, conducting, or continuing litigation as Class Members or otherwise against Continental (or against any of its related parties or affiliates), and/or from receiving any benefits from, any lawsuit, administrative, or regulatory proceeding or order in any jurisdiction, based on or relating to the claims or causes of actions or the facts, and circumstances relating thereto, in the class action.

The Court has also preliminarily enjoined all persons from filing, commencing, or prosecuting a lawsuit against Continental (or against any of its related parties or affiliates) as a class action, a separate class, or group for purposes of pursuing a putative class action (including by seeking to amend a pending complaint to include class allegations or by seeking class certification in a pending action in any jurisdiction) on behalf of Class Members who do not timely exclude themselves from the Class, arising out of, based on or relating to the claims, causes of action, facts and/or circumstances relating thereto, in the class action.

Upon final approval of the settlement, plaintiffs and Continental will ask the Court to enter a permanent injunction enjoining all Class Members and/or their representatives and/or personally organizing Class Members from engaging in the activities described above. All Class Members will be bound by this permanent injunction.

PART VI: THE LAWYERS REPRESENTING THE CLASS

20. DO I HAVE A LAWYER IN THIS CASE?

The Court has designated the law firms of **Donovan Searles LLC** and **Lundy, Flitter, Beldecos & Berger, P.C.** to represent you and the other Class Members in this lawsuit. The lawyers representing you and the other Class Members are called Class Counsel. **You will not be charged for the services of the Class Counsel.**

You may contact Class Counsel about this lawsuit and proposed settlement:

Cary L. Flitter Lundy, Flitter, Beldecos & Berger, P.C. 450 N. Narberth Avenue Narberth, PA 19072 Michael D. Donovan Donovan Searles LLC 1845 Walnut Street, Suite 1100 Philadelphia, PA 19103 You have the right to retain your own lawyer to represent you in this case, but you are not obligated to do so. If you do hire your own lawyer, you will have to pay his or her fees and expenses. You also have the right to represent yourself before the Court without a lawyer.

21. HOW WILL THE LAWYERS AND CLASS REPRESENTATIVES BE PAID?

Class Counsel have prosecuted this case on a completely contingent fee and have not been paid anything to date for their services. Class Counsel will make an application for an award of Attorneys' Fees and Expenses in the Action that will not exceed \$2,250,000.00, which shall be the sole aggregate compensation for all attorneys representing the Class in the Action and/or Related Action. Class Counsel, in their sole discretion, shall allocate and distribute this award of Attorneys' Fees and Expenses among all of the counsel who have acted on behalf of the Class. Continental shall pay the entire Attorneys' Fees and Expenses awarded by the Court within thirty (30) days after the settlement is final and approved, including any appeals that must be resolved in favor of the settlement.

Class Counsel will petition the Court for incentive awards of up to \$3,500.00 for each of the named Plaintiffs, William McGee and Robert Reibstein. The purpose of such awards, if any, shall be to compensate the named plaintiffs/class representatives for efforts and risks taken by them on behalf of the Class.

Continental shall 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 case and/or the <u>Reibstein</u> case, the Settlement Agreement, or the proposed settlement, other than the amount or amounts expressly provided for in the Settlement Agreement.

PART VII: EXCLUDING YOURSELF FROM THE SETTLEMENT

If you don't want a payment from this settlement, but you want to keep the right to sue or continue to sue Continental on your own about the legal issues in this case, then you must take steps to get out of the Class. This is called excluding yourself or "opting out" of the Class.

22. HOW DO I GET OUT OF OR EXCLUDE MYSELF FROM THE SETTLEMENT?

If you want to be excluded from the Class, you <u>must</u> notify the Court. To exclude yourself from the settlement, you must send a letter by mail. Your exclusion request letter must be **postmarked** no later than September 15, 2008. Send your letter to:

Continental Tire Settlement Claims c/o The Garden City Group Inc. P.O. Box 9287 Dublin, OH 43017-4687

Your letter requesting exclusion does not need to be in any particular form, but it **must** include the following information in order to be effective:

- (1) your name;
- (2) your address;
- (3) your telephone number;
- (4) the Eligible Tire model(s) for which you are requesting exclusion;
- (5) a statement that you wish to be excluded from the Class;
- (6) your signature; and
- (7) the case name and number: McGee v. Continental Tire North America, Case No. 2:06-CV-06234 (D.N.J.).

Please write "EXCLUSION REQUEST" on the lower left-hand corner of the *front* of the envelope.

QUESTIONS? VISIT WWW.TIRESETTLEMENT.COM OR CALL TOLL-FREE 1 (800) 430-8741

23. WHAT HAPPENS IF I EXCLUDE MYSELF FROM THE CLASS?

If you request exclusion from the Class, then for each of the excluded Eligible Tires:

- You will **not** be eligible for payment under the proposed settlement;
- You will **<u>not</u>** be allowed to object to the terms of the proposed settlement, and
- You will <u>not</u> be bound by any subsequent rulings entered in this case if the proposed settlement is finally approved.

However, if your request for exclusion is <u>late or deficient</u>, you will still be a part of the Class, you will be bound by the settlement and by all other orders and judgments in this lawsuit, and you will not be able to participate in any other lawsuits based on the claims in this case.

24. IF I DON'T EXCLUDE MYSELF, CAN I SUE CONTINENTAL LATER?

No. If the Court approves the proposed settlement and you do not exclude yourself from the Class, you release (give up) all claims that have been or could have been asserted in this lawsuit with respect to your Eligible Tires.

PART VIII: OBJECTING TO THE SETTLEMENT

You have the right to tell the Court that you do not agree with the settlement or any or all of its terms.

25. HOW CAN I OBJECT TO THE PROPOSED SETTLEMENT?

If you choose to remain a Class Member, you have a right to object to any parts of the proposed settlement. The Court will consider your views.

To object, you must send a letter saying that you object to McGee v. Continental Tire North America, Case No. 2:06-CV-06234. Your written objection must include:

- (1) your name;
- (2) your address;
- (3) your telephone number;
- (4) the Eligible Tire model(s) that make you a member of the Class;
- (5) a statement of your objection(s), and any supporting evidence you wish to introduce;
- (6) your signature; and
- (7) the case name and number: McGee v. Continental Tire North America, Case No. 2:06-CV-06234 (D.N.J.).

If you choose to object, in order to be considered by the Court, your written objections must be filed and <u>received</u> by all of the following recipients no later than September 15, 2008:

COURT	CLASS COUNSEL	DEFENSE COUNSEL
Clerk of the Court	Cary L. Flitter	John P. Hooper
United States District Court	Lundy, Flitter, Beldecos &	REED SMITH LLP
District of New Jersey	Berger, P.C.	599 Lexington Avenue
Clarkson S. Fisher Building and	450 N. Narberth Avenue	New York, NY 10022
U.S. Courthouse	Narberth, PA 19072	
402 East State Street		
Room 2020		
Trenton, NJ 08608		

You (and/or your attorney) may, at your own expense, review materials applicable to this Action. Those documents will be made available by appointment with Class Counsel during regular business hours at a place designated by Class Counsel. To obtain access to certain materials you (and/or your attorney) must first sign a Confidentiality Agreement, which Class Counsel will provide.

If you an file objection, but the Court approves the settlement as proposed, you can still complete a Claim Form to be eligible for payment under the settlement, subject to the terms and conditions discussed in this Notice and in the Settlement Agreement.

26. WHAT IS THE DIFFERENCE BETWEEN "OBJECTING" AND "EXCLUDING"?

Objecting is simply a way of telling the Court that you don't like something about the settlement. You can only object if you stay in the Class.

If you object to the settlement, you still remain a member of the Class and you will still be eligible to submit a Claim Form. You will also be bound by any subsequent rulings in this case and you will not be able to file or participate in any other lawsuit or proceeding based upon or relating to the claims, causes of action, facts or circumstances of this case. Excluding yourself is telling the Court that you don't want to be a part of the Class. If you exclude yourself, you have no basis to object to the settlement or appear at the Fairness Hearing because it no longer affects you.

PART IX: THE COURT'S FAIRNESS HEARING

The Court will hold a hearing (called a Fairness Hearing) to decide whether to finally approve the settlement. You may attend and you may ask to speak, but you don't have to.

27. WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT?

On October 21, 2008, at 12:00 noon, the Court will hold a Fairness Hearing at the United States District Court for the District of New Jersey, before the Honorable Garrett E. Brown, Jr., in Courtroom 4E, Clarkson S. Fisher Building and U.S. Courthouse, 402 East State Street, Trenton, New Jersey 08608.

At the hearing, the Court will consider whether to grant final certification to the Class for settlement purposes, whether to approve the proposed settlement as fair, reasonable and adequate, whether to award attorneys' fees and costs, whether to award the Class Representatives an award for their help, whether to issue a permanent injunction, and to consider related settlement issues.

28. DO I HAVE TO COME TO THE HEARING?

No. Class Counsel will answer questions the Court may have at the Fairness Hearing. But you are welcome to come at your own expense. Please note that the Court has the right to change the date and/or time of the Fairness Hearing without further notice. If you are planning to attend the hearing, you should confirm the date and time before going to the Court.

29. MAY I SPEAK AT THE FAIRNESS HEARING?

Yes, if you have filed an objection, you may ask the Court for permission to speak at the hearing. To do so, you must submit an objection and also file a document called a "Notice of Intention to Appear."

30. WHAT DO I HAVE TO DO TO SPEAK AT THE FAIRNESS HEARING?

If you are a member of the Class, and you (or your attorney) want to appear and speak at the Fairness Hearing, you (or your attorney) must have submitted an objection and must file a **Notice of Intention to Appear at the Fairness Hearing** with the Clerk of the Court, and deliver that Notice on the attorneys for both sides, at the addresses listed above. **Your Notice of Intention to Appear at the Fairness Hearing must be filed and <u>received</u> by all recipients specified in Part VIII, question number 25 no later than September 15, 2008.**

If you file an objection and appear at the Fairness Hearing, but the Court approves the settlement as proposed, you can still complete a Claim Form to be eligible for payment under the settlement, subject to the terms and conditions discussed in this Notice and in the Settlement Agreement.

PART X: GETTING ADDITIONAL INFORMATION

This Notice and the accompanying documents summarize the proposed settlement. More details are contained in the Settlement Agreement. The full Settlement Agreement is on file with the Clerk of the Court. For a more detailed statement of the matters involved in this case, the complaint and the other papers and Court orders on file in the Clerk's office at any time during normal business hours, Monday through Friday, 9:00 a.m. to 4:00 p.m. EDT.

If you have questions after reading this notice, you can visit www.tiresettlement.com to obtain additional information about the proposed settlement and the Claim Form or you can call, toll-free, 1-800-430-8741 to obtain additional information about the settlement. You may also direct your questions about the settlement to Class Counsel, whose names and addresses are listed in Part VI, question number 20 of this Notice.

PLEASE DO NOT CALL THE COURT OR THE CLERK OF THE COURT

Dated: June 12, 2008

Clerk of the Court for the United States

District Court for the District of New Jersey

APPENDIX A

Release And Waiver of Claims

- 1. In consideration for the settlement benefits described in this Agreement, Plaintiffs and the Class, on behalf of themselves, their heirs, guardians, assigns, executors, administrators, predecessors, and successors, hereby release, acquit, and discharge the Releasees from and for any and all manner of claims, actions, causes of action, suits, debts, sums of money, payments, obligations, reckonings, contracts, agreements, executions, promises, damages, liens, judgments and demands whatsoever, both at law and in equity, whether past, present or future, mature or not yet mature, known or unknown, suspected or unsuspected, whether based on federal, state or local law, statute, ordinance, regulation, contract, common law, or any other source, or any claim that Plaintiffs or Class Members ever had, now have, may have, or hereafter can, shall or may ever have in any other court, tribunal, arbitration panel, commission, agency, or before any governmental and/or administrative body, or any other adjudicatory body, on the basis of, connected with, arising from or in any way whatsoever relating to the Action, the Related Action, and/or the Eligible Tires, and more particularly, but without in any way limiting the generality of the foregoing, arising from, directly or indirectly, or in any way whatsoever pertaining or relating to:
 - (a) the design, testing, marketing, advertising, promotion, manufacture, distribution, operation, performance, functionality, notification, replacement, sale and/or resale by the Releasees of the Eligible Tires;
 - (b) the purchase, ownership, or use by Plaintiffs and/or Class Members of the Eligible Tires;
 - (c) any violation of 18 U.S.C. §§ 1961-68 (Racketeer Influenced and Corrupt Organizations Act), or any claim for conspiring to violate same relating to the Eligible Tires;
 - (d) any claims for rescission or restitution or for all damages of any kind, claims for fraud, fraudulent concealment, consumer fraud, civil conspiracy, negligence, misrepresentation, bad faith, strict liability and/or negligent misrepresentation relating to the Eligible Tires;
 - (e) any violation of CA. Bus. & Prof. Code §§ 17200 17500, N.J.S.A. 56:8-1 *et seq.*, or any other deceptive or unfair business practices, fraud or consumer protection statute existing in the remaining 48 states, the District of Columbia, the Commonwealth of Puerto Rico or the Territory of Guam relating to the Eligible Tires;
 - (f) any violation of the Magnuson-Moss Warranty Act, 15 U.S.C. § 2301 *et seq.*, the Uniform Commercial Code, any similar federal, state or local statutes, codes, or regulations, or any warranties required or governed by any federal, state, administrative, agency, common or local law, code, or regulation relating to warranties or tires;
 - (g) any claims for contribution or indemnity relating to the Eligible Tires;
 - (h) extra-contractual damages, compensatory damages, exemplary damages, punitive damages and/or damage multipliers, disgorgement, declaratory relief, unjust enrichment, emotional distress, or attorneys' fees, judgment and expenses of any type whatsoever relating to the Eligible Tires;
 - (i) any of the consideration given by the Releasees to Plaintiffs or Class in connection with this Agreement;
 - (j) any allegation that the Releasees misinformed, misled or deceived Plaintiffs or Class Members regarding safety, durability, performance, and/or longevity relating to the Eligible Tires;
 - (k) any allegation that the Releasees failed to warn and/or adequately disclose that the Eligible Tires would incur premature and/or abnormal tread wear;
 - (l) any allegation regarding increased costs, servicing requirements, and/or duration or longevity limitations of the Eligible Tires;

QUESTIONS? VISIT WWW.TIRESETTLEMENT.COM OR CALL TOLL-FREE 1 (800) 430-8741

- (m) any allegation that the Releasees failed to conduct appropriate and/or adequate studies or testing of the Eligible Tires;
- (n) any allegation that the Releasees failed to honor or abide by the terms of express or implied warranties that would have required them to reimburse Plaintiffs or Class Members and/or repair, correct or replace any Eligible Tires;
- (o) any allegation of engaging in unconscionable commercial practices relating to the Eligible Tires or the allegations in the Action or the Related Action; and
- (p) any other claims asserted, or that could have been asserted, or which relate to the allegations in this Action and/or the Related Action.
- 2. Notwithstanding the language in this section and/or this Agreement, the Plaintiffs and the Class are not releasing any claims of personal injury or wrongful death or property damage other than to the Eligible Tires themselves.
- 3. Plaintiffs and all Class Members represent and warrant that they are the sole and exclusive owner of all claims that they are releasing under this Agreement. Plaintiffs and all Class Members further acknowledge that they have 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 Plaintiffs and all Class Members are not aware of anyone other than themselves claiming any interest, in whole or in part, in the Action or in any benefits, proceeds or values under the Action.
- 4. Plaintiffs and all Class Members further represent that there are no outstanding liens or claims against the Action and/or settlement proceeds, it being recognized that Plaintiffs and all Class Members will solely be charged with the responsibility to satisfy any other liens or claims asserted against the Action, and/or settlement proceeds or arising in any way from this Agreement.
- 5. Without in any way limiting its scope, this Release covers by example and without limitation, any and all claims for attorneys' fees, costs, expert fees, or consultant fees, interest, or litigation fees, costs or any other fees, costs, and/or disbursements incurred by Class Counsel, or by Plaintiffs or the Class Members, except to the extent otherwise specified in the Agreement.
- 6. Plaintiffs and all Class Members expressly agree that this Release will be, and may be raised as, a complete defense to and will preclude any action or proceeding encompassed by this Release, or arising out of or relating to the allegations in the Action and/or the Related Action.
- 7. Plaintiffs and all Class Members expressly understand and acknowledge that certain principles of law, including, but not limited to, Section 1542 of the Civil Code of the State of California, provide that "a general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor." To the extent that anyone might argue that these principles of law are applicable notwithstanding that the Class and the Releasees have chosen New Jersey law to govern this Agreement Plaintiffs and all Class Members hereby agree that the provisions of all such principles of law or similar federal or state laws, rights, rules, or legal principles, to the extent they are found to be applicable herein, are hereby knowingly and voluntarily waived, relinquished and released by Plaintiffs and all Class Members.
- 8. Nothing in this Release shall preclude any action to enforce the terms of the Agreement, including participation in any of the processes detailed therein.
- 9. Plaintiffs and all Class Members hereby agree and acknowledge that the provisions of this Release together constitute an essential and material term of the Agreement and shall be included in any Final Order and Judgment entered by the Court.