

COURT OF COMMON PLEAS  
CLERMONT COUNTY, OHIO

BRIAN BLANKENSHIP,

Plaintiff,

Case No. 2009 CVH 1340

-vs-

CFMOTO POWERSPORTS, INC., et al.,

Defendants.

(JUDGE VICTOR M. HADDAD)

**CLASS ACTION SETTLEMENT NOTICE**

**PLEASE READ THIS NOTICE CAREFULLY AS IT AFFECTS YOUR LEGAL RIGHTS**

If you purchased or leased a CFMOTO CF250T-3 or CFMOTO CF250T-5 model year 2007-2010, you are a member of the Settlement Class described below ("Settlement Class Member") as a result of a proposed settlement of a lawsuit identified in paragraph 1 below (the "Lawsuit").<sup>1</sup> You may be entitled to recover benefits. A judge has approved and authorized the mailing of this Notice to you. This is not a solicitation from a lawyer.

If the Court gives final approval to the proposed settlement at the Final Approval Hearing scheduled to be held on December 7, 2012 at 10:30 A.M. EST and enters a Final Order and Judgment that becomes in all respects "final," you may be entitled to the compensation described in this Notice. Specifically, you will receive a \$200 rebate certificate good at any authorized CFMOTO dealership to be applied to the purchase of any new CFMOTO product. A copy of the proposed voucher is enclosed herein. In order to obtain the voucher, you must, however, submit your properly completed Claim Form to CFMOTO during the applicable claim period. All Settlement Class Members who elect to file a claim, and all others who decline to file a claim but who do not elect to exclude themselves from the settlement by following the procedures set forth herein, will release CFMOTO Powersports, Inc. ("CFMOTO") and others from claims that were alleged or that could have been alleged in the Lawsuit ("Released Claims"). The judgment will bind all Settlement Class Members who do not request exclusion. You can receive more information about the details of this settlement by going to CFMOTO's website at [www.cfmoto-us.com](http://www.cfmoto-us.com) or by contacting CFMOTO at (763) 398-2690.

Frequently Asked Questions		
1.	How do I participate in the settlement?	Settlement Class Members must complete and submit a Claim Form to receive the benefits under the settlement. <b>Claim Forms will not be processed until after the Effective Date, and rebate certificates will not be issued until after the Effective Date.</b>
2.	How do I exclude myself from the settlement?	You may not participate in the settlement if you choose to exclude yourself. The Court will exclude you from the Settlement Class if you timely request it in accordance with the procedures set forth below, but you need to do so by November 26, 2012.
3.	How do I object to or comment upon the settlement?	If you wish to object to or comment on any part of this settlement, you must follow the instructions set forth below and file your objection with the Court and serve it on the counsel listed below by November 15, 2012.
4.	May I attend the hearing?	Any member of the Settlement Class may attend the hearing. Any member of the Settlement Class who does not request exclusion may also enter an appearance through counsel. If you wish to attend or have your attorney attend the hearing on your behalf, you may do so, but if you or your attorney would like to address the Court during the hearing, you must follow the procedures set forth below.
5.	What happens if I do not submit a Claim Form?	If you do not sign and return a Claim Form by November 26, 2012, you will not be able to claim the rebate certificate provided to Class Members. See below for more details.

**I. SETTLEMENT SCOPE:** Upon final approval, the claims in the following Lawsuit will be resolved: *Brian Blankenship v. CFMOTO Powersports, Inc., et al.*, Clermont County Common Pleas Court, Case No. 2009 CVH 1340.

**II. NATURE OF THE LAWSUIT:** Brian Blankenship ("Mr. Blankenship") filed a Complaint in the Clermont County, Ohio Court of Common Pleas on July 1, 2009 against CFMOTO Powersports, Inc., HH Motor Sports, LLC, and Zhejiang CFMOTO Power Co., Ltd., which was assigned Case No. 2009CVH1340. The claims relate to advertising for the product as a motorcycle versus a scooter, and the extent to which the product's design complies with federal motor vehicle safety standards associated with a motorcycle. The parties reached a settlement agreement in which the parties agreed to resolve the litigation on behalf of all similarly situated individuals in the United States and U.S. Territories which, like Ohio, have adopted Consumer Sales Practices Act legislation patterned after the Uniform Consumer Sales Practices Act; on July 27, 2012, the Class Representative filed his Third Amended Complaint individually and as representative of all Class Members. On August 7, 2012, the Court issued its Agreed Entry to Amend and Recertify the Class. The Court certified the Class as: (1) natural persons; (2) who are residents of Alaska, Arizona, Arkansas, California, Colorado, Connecticut, District of Columbia, Delaware, Florida, Guam-U.S. Territory, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Puerto Rico-U.S. Territory, Rhode Island, South Dakota, Texas, Utah, Vermont, Virgin Islands-U.S. Territory, Washington, West Virginia, Wisconsin, and Wyoming; and (3) are either first retail purchasers of a model year 2007-2010 CFMOTO CF250T-3 or a model year 2007-2010 CFMOTO CF250T-5, or currently own (as of the date of the Entry) a model year 2007-2010 CFMOTO CF250T-3 or a model year 2007-2010 CFMOTO CF250T-5 motor vehicle.

**III. NOTICE:** This Notice informs Members of the Settlement Class of the Lawsuit and the proposed settlement, and describes their rights, options and choices. This Notice and the Settlement Agreement in its entirety are posted on CFMOTO's website at [www.cfmoto-us.com](http://www.cfmoto-us.com), and are also available from CFMOTO. Other documents available on the website include the Complaints filed in the Lawsuit, the papers that are or will be filed with the Court requesting Preliminary and Final Approval of the Settlement described in this Notice, and a copy of the Notice itself.

**IV. SETTLEMENT CLASS:** The Settlement Class has been conditionally certified by the Court. If you are a member of the Settlement Class described in this Notice, the proposed settlement will affect your legal rights. The Settlement Class is defined as (1) natural persons; (2) who are residents of Alaska, Arizona, Arkansas, California, Colorado, Connecticut, District of Columbia, Delaware, Florida, Guam-U.S. Territory, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Puerto Rico-U.S. Territory, Rhode Island, South Dakota, Texas, Utah, Vermont, Virgin Islands-U.S. Territory, Washington, West Virginia, Wisconsin, and Wyoming; and (3) are either first retail purchasers of a model year 2007-2010 CFMOTO CF250T-3 or a model year 2007-2010 CFMOTO CF250T-5, or currently own (as of the date of the Agreed Entry to Amend and Recertify the Class) a model year 2007-2010 CFMOTO CF250T-3 or a model year 2007-2010 CFMOTO CF250T-5 motor vehicle.

**V. CLASS COUNSEL:** The Court has appointed the following as counsel for the Settlement Class: Ronald L. Burdge, Esq., BURDGE LAW OFFICE CO., LPA, 2299 Miamisburg Centerville Road, Dayton, OH 45459-3817, Phone: (937) 432-9500, Fax: (937) 432-9503, [Ron@OhioLemonLaw.com](mailto:Ron@OhioLemonLaw.com)

**VI. AN APPLICATION OF THE PROPOSED SETTLEMENT:** If the Court approves the proposed settlement at the Final Approval Hearing, and the settlement becomes final (in other words, no longer subject to appeal and therefore in effect (the date on which this occurs being the "Effective Date")), CFMOTO will provide the following benefits to Class Members:

**A. Rebate Certificates:** All Settlement Class Members will be entitled to request and receive a rebate certificate entitling him or her to a \$200 credit at any authorized CFMOTO dealership, good for six (6) months after obtaining the rebate certificate, to be utilized or applied to the purchase of any new CFMOTO product. **IMPORTANT: DO NOT PURCHASE OR LEASE A NEW VEHICLE IN RELIANCE ON ANY OF THE CASH REBATE CERTIFICATES DESCRIBED ABOVE UNTIL THE SETTLEMENT HAS BEEN GRANTED FINAL APPROVAL BY THE COURT, IS NO LONGER SUBJECT TO APPEAL, AND THE REBATES BECOME AVAILABLE. NO REBATE CERTIFICATES WILL BE ISSUED PRIOR TO THE EFFECTIVE DATE.**

**B. Cy Pres Contributions:** In addition to the rebate certificates described above, CFMOTO will make a contribution of \$10,000 to a charitable or nonprofit entity or entities designated by Class Representative. Additionally, CFMOTO shall purchase a one-year membership in the National Motorcycle Safety Foundation.

**VII. CLASS COUNSEL'S FEES AND EXPENSES:** Class Counsel will request, as part of the final approval of this settlement, the Court-approved payment of up to \$70,000 in attorney fees and reimbursement of expenses ("Attorney Fee Award"), which is inclusive of attorney fees awarded to Class Counsel associated with any individual claims asserted by Class Representative and any class action claims on behalf of the Class. Approximately 75% of these attorney fees relate to Class Counsel's representation of the Named Plaintiff associated with his individual claims. None of this payment will reduce the benefits you receive.

**VIII. RESULT IF COURT APPROVES SETTLEMENT:** If the Court approves the proposed settlement, the Lawsuit will be dismissed, and CFMOTO will provide the benefits described above to the Settlement Class Members who have not excluded themselves from the Class and have timely submitted a Claim Form. After the Lawsuit is dismissed, no Settlement Class Member who did not request exclusion will be able to file his or her own lawsuit for recovery of any of the Released Claims. If you want to bring your own lawsuit, you must exclude yourself from this settlement.

**IX. YOUR CHOICES:** As a Settlement Class Member, you have the following choices:

**A. Participate in the Settlement:** If the Court approves the settlement, you will automatically become eligible to receive the benefits described above. If you wish to claim your rebate certificate, you must timely complete and submit a Claim Form to CFMOTO by no later than November 26, 2012. If you wish to comment in favor of the proposed settlement, you may mail your comment to CFMOTO at 3555 Holly Lane N., Suite 30, Plymouth, Minnesota 55447, who will forward your comments to Class Counsel, Defense Counsel, and the Court. Alternatively, you may send your comments directly to Class Counsel.

**B. Exclude Yourself from the Settlement:** If you wish to be excluded from the Settlement Class you must mail an opt-out request to CFMOTO, postage prepaid, postmarked no later than November 26, 2012 to the following address: 3555 Holly Lane N., Suite 30, Plymouth, Minnesota 55447. A request to exclude yourself from the settlement must include (i) your name, address, and telephone number, (ii) the model year and VIN of your vehicle, and (iii) a signed statement indicating your wish to be excluded from the Settlement Class. If you do not timely submit an opt-out request including all of the above information, you will be bound by the settlement and all of your claims for any of the Released Claims will be released. If you validly and timely request exclusion from the Settlement Class, you will not be bound by the Final Order and Judgment entered in this Lawsuit. Excluding yourself means you cannot receive any of the settlement benefits or comment upon the settlement, but you will be able to file a lawsuit on your own behalf. If you have any questions concerning these procedures, please contact Class Counsel.

**C. Filing Written Objections:** If you are a member of the Settlement Class and you do not wish to be excluded, you may object to the terms of the settlement or the attorney's fee award. If you object and the settlement is approved, you will be barred from bringing your own lawsuit and you will be bound by the Final Order and Judgment entered in this Lawsuit. You may, but need not, enter an appearance through counsel of your choice. If you do retain counsel, however, you will be responsible for your counsel's fees and costs. If you object to the settlement, you or your counsel must, on or before November 15, 2012, file with the Court and serve on Class Counsel and Defense Counsel at the above addresses a written objection, including: (i) your full name, address, and telephone number; (ii) the model year and VIN of your motor vehicle; (iii) a written statement of all grounds for the objection accompanied by any legal support for your objection; (iv) copies of any papers, briefs, or other documents upon which the objection is based; (v) a list of any persons who will be called by either you or your counsel to testify in support of the objection; (vi) a statement of whether either you or your counsel intend to appear at the Final Approval Hearing; and (vii) your signature, even if you are represented by counsel. If you intend to appear at the Final Approval Hearing through counsel, the objection must also state the identity of all attorneys representing you who appear at the Final Approval Hearing. In addition, any Settlement Class Member who intends to appear and address the Court at the Final Approval Hearing through counsel must, on or before November 15, 2012, file with the Clerk of the Court a Notice of Appearance and, if necessary, a *pro hac vice* application. The address for filing a document with the Court is: Clerk of Courts, Clermont County Court of Common Pleas, 270 East Main Street, Batavia, Ohio 45103. Settlement Class Members who do not timely make their objections in accordance with the procedures set forth above waive all objections and may not be heard at the Final Approval Hearing or have the right to appeal approval of the settlement. If you have any questions concerning these procedures, please contact Class Counsel.

**X. FINAL APPROVAL HEARING:** A hearing will be held before the Clermont County Court of Common Pleas, 270 East Main Street, Batavia, Ohio 45103 on December 7, 2012 at 10:30 A.M. EST ("Final Approval Hearing"). Judge Victor Haddad presiding. At the Final Approval Hearing, the Court will decide whether the proposed settlement is fair, reasonable, and adequate and should be approved and, if so, approve the Attorney's Fee Award. The time, date and location of this Final Approval Hearing may be changed by the Court without further notice to you. If you plan to attend the hearing, you should confirm its time, date and location. Any updates or changes on the time, date or location of this hearing will be posted on CFMOTO's website.

**XI. ADDITIONAL INFORMATION:** For additional information, you may contact CFMOTO by writing to the address or calling the telephone number listed below.

By Order of the Court dated September 21, 2012.

<sup>1</sup> Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Class Action Settlement Agreement and Release ("Settlement Agreement") available on CFMOTO's website at [www.cfmoto-us.com](http://www.cfmoto-us.com).