

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

Blake Miliate v. San Diego House of Motorcycles, Inc. dba North Countys House of Motorcycles, et al.
San Diego County Superior Court, Case No. 37-2018-00035131-CU-BT-CTL

DATE OF NOTICE: FEBRURAY 13, 2025

THIS NOTICE IS BEING PROVIDED TO:

All California consumers who purchased motor vehicles from San Digo House of Motorcycles, Inc. (“SDHM”) for which SDHM arranged or assisted the consumer with financing for the purchase of the motor vehicle through a lender issuing a credit card and for which SDHM listed the lender issuing the credit card as the “LIENHOLDER OR LEGAL OWNER” on an Application for Registration of New Vehicle or “NEW LIENHOLDER” on an Application for Transfer by New Owner that SDHM sent to the California DMV from July 13, 2014 to December 31, 2023.

Puede obtener una versión en español de este aviso en www.apexclassaction.com/SDHM

What Is the Purpose of this Notice?

The purpose of this notice is to inform you of the settlement of this class action lawsuit that was filed against Defendant San Diego House of Motorcycles, Inc. dba North County’s House of Motorcycles (“SDHM”) in the San Diego County Superior Court. The case is entitled *Blake Miliate v. San Diego House of Motorcycles, Inc. dba North Countys House of Motorcycles, et al.*, San Diego County Superior Court, Case No. 37-2018-00035131-CU-BT-CTL. You are receiving this Notice because you are a member of the “Class.” Mr. Blake Miliate is acting as the class representative.

The parties have agreed to settle this class action lawsuit, which involves 707 class members. This notice is being sent to you because you have a right to know about the proposed settlement, and about your legal rights and options, before the Court decides whether to finally approve the settlement. If the Court approves the settlement, you will be entitled to recover your share of the settlement benefit. Your legal rights are affected whether you act or don’t act.

Please read this notice carefully. Your rights and options, and the deadlines to exercise them, are more fully explained in this notice. The Court still has to decide whether to approve the settlement. The benefits of the settlement, including monetary relief for class members, will occur after the Court approves the settlement and any appeals are resolved. Please be patient.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:

Opt Out of the Class Action	You may exclude yourself from this class action lawsuit and from this settlement (“opt out”). If you opt out, you will not remain as a member of the Class and you will not participate in the settlement.	To opt out, you must send a written request to the Settlement Administrator no later than 60 days from the date of this notice . If you opt out, the information you must provide to the Settlement Administrator is described below.
Object to the Settlement	You may tell the Court about why you don’t like this settlement. However, whether you object to the settlement or not, you will remain in the Class, and you will be bound by any final approval of the settlement and judgment entered by the Court.	To object to the settlement, you must send your written objection to the Settlement Administrator no later than 60 days from the date of this notice . If you object, the information you must provide to the Settlement Administrator is described below.
Do Nothing	If you do nothing, you will receive your share of the settlement proceeds, and will be bound by any final approval of the settlement and judgment entered by the Court.	

What Is this Lawsuit About?

This lawsuit concerns the sale of motorcycles by Defendant **SDHM** using sales forms that Plaintiff Blake Miliate (“Plaintiff”) contends do not comply with California consumer protection laws. Plaintiff claims that **SDHM** sold motorcycles financed through open-ended credit card agreements without making all disclosures required under California’s Rees-Levering Automobile Sales Finance Act (Civil Code §2981 et seq., the “Rees-Levering Act”), a law that governs the sale of motor vehicles under conditional sales contracts; that **SDHM** failed to provide motorcycle buyers with all documents and financial disclosures required by the Rees-Levering Act; and that **SDHM** engaged in deceptive and unfair business practices because the consumers did not receive a single document with all sales terms. Plaintiff asserts a single cause of action under the California *Business and Professions Code* §§ 17200,

et seq. against **SDHM** in his operative complaint. Plaintiff, individually and on behalf of the Class, seeks recovery of damages and other forms of relief.

SDHM denies Plaintiff's allegations and contends that it made all disclosures that were required of it by law, and did not engage in any false or deceptive business practices. **SDHM** contends that the Rees-Levering Act permits these third-party credit card transactions, and that **SDHM** has at all times complied with all applicable requirements of the Rees-Levering Act and California consumer protection laws. **SDHM** also contends that Plaintiff's claims are preempted by Federal Law, which regulates these transactions. **SDHM** denies Plaintiff's allegations in their entirety, denies that any violations of any law occurred, and denies that Plaintiff and Class members have experienced any injury or are entitled to any form of relief.

You may obtain additional information about this case from the San Diego Superior Court's official website. You will need to refer to the Civil "Register of Actions" page, and enter the case number (37-2018-00035131-CU-BT-CTL) to access this information.

Who Is A Class Member?

In a class action, one or more people (in this case Plaintiff Blake Miliate) sue and seek relief on behalf of a larger group of people who may have similar claims. Together, all these people form a Class and are called Class Members, and the plaintiff (or plaintiffs in some cases) acts as the Class Representative. One Court will resolve the issues for all Class Members. Once the Class has been certified, the Class Representative may settle the claims of all Class Members, subject to approval of the settlement by the Court. However, Class Members are given the opportunity to opt out of the settlement by excluding themselves from the case, or may object to the settlement, if they so choose. Class Members who opt out of the settlement do not receive settlement benefits and are not bound by the settlement and ensuing judgment. Regardless of whether a Class Member objects or not, all participating Class Members will be bound by the Court's final approval of the settlement and ensuing judgment.

The Court preliminarily certified this action as a class action for settlement purposes on January 10, 2025. Class certification means that Plaintiff may seek relief from **SDHM** on behalf of every Class Member, and that he has authority to resolve all claims raised in the Action on behalf of all Class Members. The Court defined the Class as follows:

- (a) all California consumers who purchased motor vehicles from **SDHM**;
- (b) for which **SDHM** arranged or assisted the consumer with financing for the purchase of the motor vehicle through a lender issuing a credit card;
- (c) and for which **SDHM** listed the lender issuing the credit card as the "LIENHOLDER OR LEGAL OWNER" on an Application for Registration of New Vehicle or "NEW LIENHOLDER" on an Application for Transfer by New Owner that **SDHM** sent to the California DMV; and
- (d) from July 13, 2014 (four years prior to the filing of the original complaint) to December 31, 2023.

Excluded from this class are (a) all persons whose claims are subject to an agreement to arbitrate and (b) all persons whose purchase transactions with **SDHM** were financed through the Yamaha/WebBank credit card program.

You are receiving this Notice because you are a member of this Class.

Why Is There a Settlement?

The Court has not decided who is right or wrong in this lawsuit. There has been no trial. Nevertheless, the parties (Plaintiff and **SDHM**) are willing to enter into a settlement to end the lawsuit. This way, the parties can avoid the cost of a trial, and the Class Members can obtain relief.

The settlement is a compromise and is not an admission by **SDHM** of any fault, wrongdoing, or liability. The settlement must be approved by the Court in order for Class Members to receive the benefits described below. If the settlement is not approved by the Court, the parties will go back to Court for a trial.

What Are the Benefits of the Settlement?

SDHM agrees to pay to the class the total sum of \$200,64.94 to resolve this Action in its entirety. Based on **SDHM** records, there are 707 members of the Class. Each Class Member has the opportunity to exclude him or herself ("opt-out") from this class action or object to the settlement as described below. The settlement funds will be distributed to class members by a check, and the amount to each Class Member will be a pro rata payment determined based on the amount of money the Class Member financed to purchase a motor vehicle(s) from **SDHM** using a credit card that was allegedly arranged by **SDHM**. In addition, \$200,000.00 will be

requested by Class Counsel for attorneys' fees, costs and expenses, and \$3,500 will be requested as a service award to Mr. Miliate as class representative, subject to approval of the Court.

You do not have to do anything to receive the benefits described above.

What are the Tax Consequences of the Settlement?

Any benefits you receive may or may not be the subject of state or federal taxation, depending on your circumstances. Counsel for the parties in this lawsuit are not tax attorneys and you are advised to seek separate legal advice on matters of taxation.

Do I Give Up Anything As A Result of the Settlement?

In exchange for the benefits described above, you give up the right to sue or be part of any other lawsuit against **SDHM** about the claims based on the facts alleged in this lawsuit. In addition, you will be bound by all orders of the Court and any judgment in this case.

The settlement agreement includes a "Release of Claims" pursuant to which you would be releasing any and all claims, liens, demands, actions, and causes of action of any nature that they have, had or may have against **SDHM** and Released Parties, arising out of the allegations of the Action, and hereby expressly waive and relinquish any and all claims they may have arising out of the allegations of the Action. Specifically, the Release of Claims provides that you would be releasing **SDHM**, its parent entities, and their respective past, present and future affiliates, officers, directors, shareholders, employees, agents, contractors, representatives, subsidiaries, related entities, vehicle manufacturers, predecessors and successors in interests, agents, employees, insurers, reinsurers, attorneys, owners, predecessors, successors and assigns.

Can I Exclude Myself from the Class, and How Do I Do That?

You may exclude yourself from the Class ("opt out") by mailing a written request to Apex Class Action LLC at the following address:

Apex Class Action, LLC
P.O. Box 54668
Irvine, CA 92619
claims@apexclassaction.com
Telephone: (800) 355-0700
Facsimile: (949) 878-3536

Please sign and date your request for exclusion, and include your full name, address, and the following statement: "I request to be excluded from the Class in *Blake Miliate v. San Diego House of Motorcycles, Inc. dba North Countys House of Motorcycles, et al.*, San Diego County Superior Court, Case No. 37-2018-00035131-CU-BT-CTL." **To be valid, your request for exclusion must be postmarked no later than 60 days from the date of this Notice.**

If you exclude yourself from the Class, you will not receive any further communications about this lawsuit. You will not be bound by any final judgment that is entered in this case. This means you will retain any right you currently possess to file your own case about any of the issues in this lawsuit and may hire a separate attorney to do so. You will not be eligible to object to the settlement, and you will not share in any monetary relief awarded to the Class.

If you wish to remain in the Class but disagree with the settlement, you may object. The process for doing that is described below.

If you wish to remain in the Class and participate in the settlement, you do not need to do anything.

Can I Object to the Settlement, and How Do I Do That?

If you are a Class Member, you may object to the settlement if you disagree with any part of it. To object to the settlement, you must send a written objection to Apex Class Action LLC, by First Class Mail at the following address:

Apex Class Action, LLC
P.O. Box 54668
Irvine, CA 92619
claims@apexclassaction.com
Telephone: (800) 355-0700
Facsimile: (949) 878-3536

Your written objection must be postmarked no later than 60 days from the date of this Notice.

Be sure to include all of the following information in your written objection, as your objection may not be considered if necessary information is omitted: (1) the name of the lawsuit, *Blake Miliate v. San Diego House of Motorcycles, Inc. dba North Countys House of Motorcycles, et al.*, San Diego County Superior Court, Case No. 37-2018-00035131-CU-BT-CTL; (2) your full name, current address and telephone number; (3) the reasons you object to the settlement, including the factual and legal grounds for your objection; (4) any supporting evidence and briefing you wish to have considered in support of the objection; and (5) your signature and the date of your signature.

If you object, you are not required to attend the Final Approval Hearing, but you may do so if you choose. Please state in your written objection if you intend to attend the Final Approval Hearing.

What Happens If I Do Nothing?

If you do nothing at all, and the settlement is approved by the Court, you will automatically receive your share of the settlement benefits. You will also be bound by the Release of Claims and final Judgment of the Court, described above.

Do I Have a Lawyer in this Lawsuit?

The Court has approved of the law firm of Kemnitzer, Barron & Krieg, LLP as counsel on behalf of the Class. These lawyers are referred to as Class Counsel. You do not have to pay Class Counsel anything for their services in connection with this case. Instead, under the Parties' settlement agreement, Class Counsel will request that it be paid \$200,000.00 to compensate them for their attorneys' fees and expenses. The exact amount that Class Counsel will be paid will be determined by the Court at the Final Approval Hearing described below. The payment of attorneys' fees and costs will not diminish your benefits under the settlement. If you wish to hire your own separate attorney, you have the right to do so at your own expense.

When Will the Court Decide Whether to Approve the Settlement?

The Court will hold a Final Approval Hearing to decide whether to approve of the proposed settlement. The Final Approval Hearing is currently scheduled on June 5, 2025, at 10:30 a.m (subject to change by the Court without further notice), at the San Diego County Superior Court, Hall of Justice, located at 330 West Broadway, San Diego, CA 92101, in Department C-70 the Honorable Carolyn Caietti, Judge presiding. At this hearing, the Court will determine whether the proposed settlement is fair, reasonable and adequate. The Court will also decide the amount of attorneys' fees to be paid to Class Counsel, and the amount of any service award to the Class Representative (Plaintiff Blake Miliate), which could amount to \$3,500.

This settlement will not take effect unless the Court approves it at the Final Approval Hearing. If the Court does not approve the settlement, Class Members will not receive the benefits described in this notice, and the rights of the parties will be determined at trial. It will be as if no settlement had been reached.

How Do I Get More Information?

This Notice is only a summary of the proposed settlement. You may call the Settlement Administrator directly for updates regarding the Court hearing dates. If you have additional questions concerning this lawsuit or the settlement, you may contact Class Counsel listed below. You may also visit the following website for further information about this case: www.apexclassaction.com/SDHM.

You may obtain additional information about this case from the San Diego County Superior Court's official website: <https://roa.sdcourt.ca.gov/roa/>. You will need to refer to the Civil "Register of Actions" page and enter the case number (37-2018-00035131-CU-BT-CTL) to access this information. You may also view images of every document filed in the case free of charge by using one of the computer terminal kiosks available at each court location that has a facility for civil filings.

Please do not contact the Judge.

Class Administrator:
APEX CLASS ACTION, LLC
P.O. Box 54668
Irvine, CA 92619
claims@apexclassaction.com
Telephone: (800) 355-0700
Facsimile: (949) 878-3536

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