

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS

**NOTICE OF PROPOSED SETTLEMENT**

**If you purchased a Motorola phone or smart watch and submitted it for warranty service, a class action lawsuit may affect your rights and you may be entitled to a cash payment or other benefits.**

*This Notice is being provided by order of the United States District Court for the Northern District of Illinois. It is not a solicitation from a lawyer. You are not being sued.*

A lawsuit is pending in the United States District Court for the Northern District of Illinois (“the Court”) against Motorola Mobility LLC d/b/a Motorola and Lenovo (United States) Inc. (together, “Motorola”). The plaintiffs in the lawsuit claim that Motorola has failed to provide warranty service consistent with its warranty obligations and, in so doing, are liable for breach of warranty, unjust enrichment, and violation of the state consumer protection laws of Arizona, Florida, Georgia, and Texas. The parties in the lawsuit have reached a proposed settlement that may affect your rights (“Settlement”).

Motorola denies plaintiffs’ allegations of wrongdoing and liability, and has denied the material allegations and asserted numerous defenses. The Settlement does not mean that Motorola broke any laws and/or did anything wrong, and the Court has not decided which side was right.

- The Court has conditionally certified two classes (the “Settlement Classes”) of similarly situated Motorola customers. You are included in the Settlement as a Class Member if you fit one or both of the descriptions below:

Injunctive Relief Class

All persons in the United States who purchased a Motorola cell phone or smart watch (“device” or collectively, “devices”) between November 1, 2012, and August 14, 2017, and who have submitted, or within the remaining warranty period submit, the device for warranty repairs that qualified as a valid warranty claim under Motorola’s corresponding device warranty.

Damages Class

All persons in the United States who purchased a Motorola cell phone or smart watch (“device” or collectively, “devices”), submitted the device for warranty repairs that qualified as a valid warranty claim under Motorola’s corresponding device warranty between November 1, 2012, until August 14, 2017, and meet at least one of the following criteria:

- An Advanced Exchange Program security deposit was charged but were never released;
  - Motorola did not ship a replacement device within 10 days of receiving the Advanced Exchange Program fee;
  - Motorola did not ship a repaired or replacement device within 20 days of Motorola receiving the original device; or
  - Never received a repaired or replacement device and were not credited with a refund.
- Just because you are a member of the Settlement Classes does not mean that you will receive monetary compensation. In order to receive monetary compensation, you must be a member of the Damages Class, have one of the claims listed in the response to Question 6, and submit a claim for compensation. You will be entitled to non-monetary compensation regardless of whether you submit a claim.
  - Your legal rights are affected whether you act or not. Please read this entire notice carefully.

<b>YOUR OPTIONS IN THIS SETTLEMENT</b>		<b>DEADLINES</b>
<b>SUBMIT A CLAIM FOR COMPENSATION</b>	To receive monetary compensation under the Settlement, you must be a member of the Damages Class and submit a claim. Any compensation owed to you will only be paid if the Court approves the Settlement.	Deadline to Submit a Claim: December 6, 2017
<b>DO NOTHING</b>	You will be bound by the Settlement, but will not receive monetary compensation and you will forfeit any rights you might have to monetary compensation under the Settlement. In order to receive monetary compensation, you must be a member of the Damages Class and submit a claim. You will still be entitled to the non-monetary benefits of the Settlement if you are a member of the Injunctive Relief Class.	Deadline to Submit a Claim: December 6, 2017
<b>EXCLUDE YOURSELF FROM THE MONETARY PORTION OF THE SETTLEMENT</b>	Receive no monetary benefits from the Settlement. This is the only option that allows you to be part of any other lawsuit against Motorola for monetary compensation in connection with the legal claims resolved by this Settlement. You cannot exclude yourself from the Injunctive Relief Class.	Deadline to Submit Your Request to be Excluded from the Settlement: December 6, 2017

<b>OBJECT TO THE SETTLEMENT TERMS</b>	If you are a member of the Settlement Classes, you may object to the Settlement (except the monetary relief portion if you exclude yourself). If you object, you will still be bound by the Settlement and, if you are a member of the Damages Class and file a claim, you will receive compensation owed to you.	Deadline to Submit Your Objection the Settlement: December 6, 2017
<b>ATTEND THE FAIRNESS HEARING</b>	You and your attorney may attend and ask to speak at the Court’s Fairness Hearing	Fairness Hearing Date: December 21, 2017

These rights and options—and the deadlines to exercise them—are explained in this notice.

The Court in charge of this matter still has to decide whether to approve the Settlement. Settlement benefits will become available if the Court approves the Settlement and after any appeals are resolved.

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**Basic Information**

**1. Why should I read this notice?**

Several individuals (“plaintiffs”) filed a lawsuit against Motorola and have agreed to settle their claims on behalf of themselves and other Motorola customers. You are receiving this notice because your rights may be affected by the Settlement.

The Court in charge of the litigation is the United States District Court for the Northern District of Illinois and the case is titled *Lynch et al. v. Motorola Mobility LLC and Lenovo (United States) Inc.*, Case No. 1:16-cv-04524 (N.D. Ill.).

The Court has ordered this notice be provided to you because you have a right to know about the proposed Settlement, and about your options, before the Court decides whether to approve the Settlement. If the Court approves the Settlement, and after any objections and appeals are resolved, Motorola will provide payments and other benefits agreed to in the Settlement. This notice explains the litigation, the Settlement, your legal rights, the benefits available, who is eligible for them, and how to get them. **You should read this entire notice.**

**2. What is this lawsuit about?**

On May 18, 2016, the plaintiffs filed a First Amended Class Action Complaint in which they allege that Motorola is liable for breach of warranty, unjust enrichment, and violation of the state consumer protection laws of Arizona, Florida, Georgia, and Texas.

Motorola denies plaintiffs’ allegations of wrongdoing and liability, and has denied the material allegations and asserted numerous defenses.

### 3. Why are these lawsuits class actions?

In a class action, the plaintiffs in the lawsuit are called “Class Representatives” and sue on behalf of other people who have similar claims. In this Settlement, all of these people together are the “Settlement Classes” or “members of the Settlement Classes.” The Court has preliminarily determined that the Class Representatives may pursue legal claims and enter into the Settlement on behalf of the Settlement Classes, except for those individuals who choose to exclude themselves from the Damages Class and the portion of the Settlement that provides for monetary relief (described more fully below).

### 4. Why is there a Settlement?

The Class Representatives and Motorola agreed to a Settlement to avoid the cost and risk of further litigation, including a potential trial, and so that the members of the Settlement Classes can get payments and other benefits, in exchange for releasing Motorola from liability. The Settlement does not mean that Motorola broke any laws and/or did anything wrong, and the Court did not decide which side was right. The Settlement here has been preliminarily approved by the Court, which authorized the issuance of this notice. The Class Representatives and the lawyers representing them (called “Class Counsel”) believe that the Settlement is in the best interests of all members of the Settlement Classes.

#### WHO IS IN THE SETTLEMENT

### 5. How do I know if I am part of the Settlement?

You may be a part of one or both of the following Settlements Classes:

#### Injunctive Relief Class

All persons in the United States who purchased a Motorola cell phone or smart watch (“device” or collectively, “devices”) between November 1, 2012, and August 14, 2017, and who have submitted, or within the remaining warranty period submit, the device for warranty repairs that qualified as a valid warranty claim under Motorola’s corresponding device warranty.

#### Damages Class

All persons in the United States who purchased a Motorola cell phone or smart watch (“device” or collectively, “devices”), submitted the device for warranty repairs that qualified as a valid warranty claim under Motorola’s corresponding device warranty between November 1, 2012, until August 14, 2017, and meet at least one of the following criteria:

- An Advanced Exchange Program security deposit was charged but were never released;
- Motorola did not ship a replacement device within 10 days of receiving the Advanced Exchange Program fee;
- Motorola did not ship a repaired or replacement device within 20 days of Motorola receiving the original device; or
- Never received a repaired or replacement device and were not credited with a refund.

If you are still not sure whether you are included in the Settlement Class, you can ask for free help. You can call 1-888-663-7191 or email [info@motorolawarrantyclassaction.com](mailto:info@motorolawarrantyclassaction.com).

#### THE SETTLEMENT BENEFITS

### 6. What are the benefits I am entitled to under the Settlement?

The Settlement provides members of the Settlement Classes with two types of relief: non-monetary compensation (also called injunctive relief) applicable to Injunctive Relief Class members and monetary compensation for Damages Class members.

#### Monetary Relief Available to Damages Class Members

Motorola will provide the following cash compensation and other relief to eligible Damages Class members. To the extent eligible, Damages Class members shall be entitled to receive either type of compensation below.

- Motorola will repay any Advanced Exchange Program fees collected from Damages Class members for whom Motorola did not ship a conforming replacement device within 10 days of receiving the Advanced Exchange Program fee.
- Motorola will release or, if Motorola is holding funds for a security deposit in connection with a return under the Advanced Exchange Program, repay any credit card security deposits collected from Damages Class members pursuant to the Advanced Exchange Program, provided Motorola received the Damages Class member’s original device within 20 calendar days of Motorola shipping the replacement device. If the returned device was not the exact device for which the warranty claim was made or the device had physical or liquid damage outside of what was disclosed in connection with the Damages Class member’s request for a replacement under the Advanced Exchange Program, the Damages Class member will not be entitled to a refund of the security deposit or release of the security hold.
- Damages Class members who never received a repaired or replacement device and were not credited a refund, will receive a new or like-new equivalent replacement device chosen by Motorola, or a repayment of the purchase price, accounting for depreciation at the time the device was delivered to Motorola. Damages Class members will also receive \$20.00 cash;
- Damages Class members for whom Motorola did not ship a repaired or replacement device within 20 business days of receiving the allegedly defective device will receive \$15.00 cash; or

- Damages Class members for whom Motorola did not ship a repaired or replacement device within 30 business days of receiving the allegedly defective device will receive \$20.00 cash.

To be eligible for the monetary compensation provided above, Damages Class members must meet the conditions set forth above and Motorola must not have already resolved the alleged issues giving rise to the Damages Class Member’s claim. Motorola has the right to contest the validity of any claim that is inconsistent with its records.

**Non-Monetary Relief to Be Provided to Injunctive Relief Class Members**

In addition to the monetary relief described above, Motorola shall provide the following non-monetary relief to Injunctive Relief Class Members. The non-monetary relief requires Motorola to revise and improve upon its warranty resolution procedures that were in effect when the litigation began.

- Motorola shall improve its internal processes from the procedures in place as of March 1, 2016, for identifying and contacting consumers whose claims have exceeded Motorola’s standard wait period;
- Motorola shall increase, relative to the procedures in place as of March 1, 2016, call center representatives’ discretion to issue credits for Motorola errors;
- Motorola shall improve its processes from the procedures in place as of March 1, 2016, for the Advanced Exchange Program to permit Motorola representatives to release the credit card security hold when a consumer receives a device that will not power up at the time of receipt and returns such device to Motorola;
- Motorola shall improve the device return process from the procedures in place as of March 1, 2016, by obtaining certain consumer information before allowing the consumer to generate an RMA in order to provide more realistic estimated wait times and customer options to prevent unrealistic consumer expectations; and
- Motorola shall improve its methods from the procedures in place as of March 1, 2016, for determining whether the Advanced Exchange Program will be available for certain devices before offering expedited service.

**7. How do I receive the benefits offered in the Settlement?**

If you are a member of the Damages Class, you must submit a claim by **December 6, 2017** to receive the monetary benefits offered in the Settlement. You must submit your Claim Form by mailing, faxing, or emailing it to:

**KCC Class Action Services**  
**P.O. Box 404000**  
**Louisville, KY 40233-4000**  
**info@motorolawarrantyclassaction.com**

Claim Forms are available at [www.motorolawarrantyclassaction.com](http://www.motorolawarrantyclassaction.com), by calling 1-888-663-7191 or by writing to the Claims Administrator at the address above.

If you are a member of the Injunctive Relief Class, you do not need to do anything to receive the non-monetary benefits offered in the Settlement. You will automatically be entitled to the Settlement’s non-monetary benefits regardless of whether you submit a claim form.

**8. How quickly will I receive Settlement benefits?**

The Honorable Gary Feinerman will hold a Final Approval Hearing on December 21, 2017, at 9:00 a.m. in the U.S. District Court for the Northern District of Illinois, 219 South Dearborn Street, Room 2125, Chicago, IL 60604, to decide whether to approve this Settlement. If the Court approves the Settlement, there may be appeals afterwards. It is always uncertain how quickly appeals can be resolved, and resolving them can take time, perhaps even more than a year.

**YOUR RIGHTS AND OPTIONS**

**9. What happens if I do nothing?**

If you do nothing, you will remain in the Settlement Classes. This means that you cannot sue, continue to sue, or be part of any other legal proceeding against Motorola about the legal claims resolved by this Settlement if it is approved by the Court.

The legal claims resolved by the Settlement include: (1) claims for monetary relief related to (i) Motorola’s administration of its Advanced Exchange Program and (ii) any delays in the provisions of warranty service by Motorola (“the “Monetary Claims”), and (2) claims for injunctive relief related to any alleged failure of Motorola to comply with the terms of its warranty (the “Non-Monetary Claims”).

**10. Can I exclude myself from the Settlement?**

The Court has conditionally certified classes for both monetary (Damages Class) and non-monetary (Injunctive Relief Class) relief. You can exclude yourself (also called “opting out”) from the Damages Class and the portion of the case involving monetary relief. You cannot exclude yourself from the Injunctive Relief Class.

**11. What happens if I exclude myself from the Damages Class?**

If you exclude yourself from the Damages Class, you will not be eligible to receive any of the monetary benefits of the Settlement and will not be precluded from suing, continuing to sue, or being part of any other legal proceeding against Motorola about the Monetary Claims resolved by this Settlement if it is approved by the Court. Depending on the laws in your state, including laws related to statutes of limitation, you may be barred from suing (or continuing to sue) Motorola about the legal issues in this case even if you exclude yourself.

If you have a pending lawsuit against Motorola, speak to your lawyer who represents you in that lawsuit immediately. You must exclude yourself from the Damages Class in this Settlement to continue your own legal proceeding if it concerns the Monetary Claims.

**12. How do I ask to be excluded from the Damages Class?**

To exclude yourself from the Damages Class and the monetary portion of the Settlement, you must send a letter by mail stating that you want to “opt-out” or “be excluded from the Settlement.” Include your name, address, telephone number, and refer to the case as *Lynch et al. v. Motorola Mobility LLC and Lenovo (United States) Inc.*, Case No. 1:16-cv-04524 (N.D. Ill.). You must mail your exclusion request **no later than December 6, 2017** to:

KCC Class Action Services  
P.O. Box 404000  
Louisville, KY 40233-4000

You cannot exclude yourself via phone, e-mail, or fax.

**THE LAWYERS REPRESENTING YOU**

**13. Do I have a lawyer in the case?**

The Class Representatives have asked the Court to appoint their lawyers, the law firms of Girard Gibbs LLP and Wexler Wallace LLP, as Class Counsel to represent you and the Settlement Classes. You will not be charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense. The contact information for Class Counsel is:

Daniel C. Girard  
Scott Grzenczyk  
GIRARD GIBBS LLP  
601 California Street, 14th Floor  
San Francisco, California 94108  
(415) 981-4800

Mark R. Miller  
Adam Prom  
WEXLER WALLACE LLP  
55 W. Monroe Street, Ste. 3300  
Chicago, Illinois 60603  
(312) 346-2222

**14. How will the lawyers be paid?**

Class Counsel will ask the Court to award them attorneys’ fees of no more than \$850,000 and expenses of no more than \$21,000. They will also ask the Court to award each of the Settlement Class Representatives \$600 in recognition of their efforts in pursuing this litigation. Motorola denies that Class Counsel is entitled to the attorneys’ fees, expenses, and service amounts requested. Motorola will contest Class Counsel’s requests for these fees, expenses, and service awards. The parties have not agreed to pay these amounts and the Court may award less than what Class Counsel has requested. The Settlement is not contingent upon Class Counsel receiving any particular amount of attorneys’ fees and expenses or the Class Representatives receiving service awards.

Motorola will separately pay the attorneys’ fees and expenses and service awards that the Court awards, as well as the costs to administer the Settlement. The payment of attorneys’ fees and expenses, service awards, and settlement administration costs will not diminish or reduce the compensation or other relief available to you or the Settlement Classes as a result of the Settlement.

Class Counsel will file a motion for attorneys’ fees, expenses, and service awards on or before November 8, 2017. Copies of the motion will be available at [www.motorolawarrantyclassaction.com](http://www.motorolawarrantyclassaction.com) and by contacting the Claims Administrator at 1-888-663-7191 or KCC Class Action Services, P.O. Box 404000, Louisville, KY 40233-4000.

**15. Should I get my own lawyer?**

You do not need to hire your own lawyer because Class Counsel is representing you and the other Settlement Class members. However, if you want someone other than Class Counsel to speak for you, you may hire your own lawyer at your own expense.

**OBJECTING TO THE SETTLEMENT**

**16. How do I tell the Court that I do not like the Settlement?**

You can object to the Settlement if you do not like any part of it. You cannot, however, object to the monetary portion of the Settlement if you exclude yourself from the Damages Class.

The Court can only approve or deny the Settlement. The Court cannot order that the parties agree to a different settlement. If the Court denies approval, no Settlement benefits will be available at this time and the lawsuit will continue. You should give reasons why you think the Court should not approve the Settlement. The Court will consider your views.

To object, you must send a letter saying that you object to the Settlement in *Lynch et al. v. Motorola Mobility LLC and Lenovo (United States) Inc.*, Case No. 1:16-cv-04524 (N.D. Ill.). Any objection must include: (a) the objector's full name, address, and telephone number; (b) a written statement of all grounds for the objection, accompanied by any legal support for such objection; (c) copies of any papers, briefs, or other documents upon which the objection is based; (d) a list of all persons who will be called to testify in support of the objection; and (e) a statement of whether the objector intends to appear at the Fairness Hearing. If the objector intends to appear at the Fairness Hearing through counsel, the objection must state the identity of all attorneys representing the objector who will appear at the Fairness Hearing.

You must mail the objection and supporting materials **no later than December 6, 2017** to **both**:

KCC Class Action Services  
P.O. Box 404000  
Louisville, KY 40233-4000

-and-

United States District Court for the  
Northern District of Illinois  
Clerk of the Court  
219 South Dearborn Street  
Chicago, IL 60604

#### **17. What is the difference between objecting and excluding?**

Objecting is simply telling the Court that you do not like something about the Settlement. You cannot object to the monetary portion of the Settlement if you exclude yourself from the Damages Class.

Excluding yourself is telling the Court that you do not want to be part of the Damages Class. You cannot exclude yourself from the Injunctive Relief Class.

#### **18. When and where will the Court decide whether to approve the Settlement?**

The Court will consider whether to approve the Settlement and any objections at the Fairness Hearing. Judge Feinerman will listen to people who have asked to speak at the hearing. The Court may also consider how much Class Counsel should be paid. After the hearing, the Court will decide whether to approve the Settlement and the amount Class Counsel will be paid. We do not know how long these decisions will take. The hearing may be rescheduled without further notice. Updated scheduling information is available in person at the office of the Clerk of Court (Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street, Chicago, IL 60604) during business hours, by calling the Clerk's office at (312) 435-5670, from the Court's Public Access to Court Electronic Records (PACER) system at <https://ecf.cacd.uscourts.gov>, or by contacting Class Counsel.

#### **19. Do I have to come to the hearing?**

You do not have to come to the hearing. Class Counsel will answer any questions Judge Feinerman may have. But you are welcome to come at your own expense. If you send a written objection, you do not have to come to Court to talk about it. As long as you mailed your written objection to both addresses on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

#### **20. May I speak at the hearing?**

You may ask the Court for permission to speak at the Fairness Hearing. To do so, you must send a letter saying that it is your "Notice of Intention to Appear in *Lynch et al. v. Motorola Mobility LLC and Lenovo (United States) Inc.*, Case No. 1:16-cv-04524 (N.D. Ill.)." Be sure to include your name, address, telephone number, and your signature. Your Notice of Intention to Appear must be no later than **December 6, 2017**, and be sent to the Clerk of the Court and the Claims Administrator at the addresses listed in the response to Question 16. You cannot speak at the hearing if you exclude yourself. You can retain your own attorney to speak on your behalf, but you will be responsible for paying that attorney.

### **GETTING MORE INFORMATION**

#### **21. Are there more details about the Settlement?**

This notice summarizes the proposed Settlement. More details are in the Settlement Agreement. You can get a copy of the Settlement Agreement by writing to the Claims Administrator at the address listed in the response to Question 12, calling or emailing the Claims Administrator at the phone number or email address found at the bottom of this page, or downloading a copy online at [www.motorolawarrantyclassaction.com](http://www.motorolawarrantyclassaction.com).

#### **22. How do I get more information?**

You can contact the Claims Administrator at the phone number or email address found at the bottom of this page to ask questions about the Settlement, including information concerning whether you are a member of the Settlement Classes and whether you may be eligible for the benefits offered in the Settlement. You may also contact Class Counsel.

**Other than asking questions regarding the date and location of the Final Approval Hearing, please do not contact the Clerk of the Court or the Judge with questions.**