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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

DEAN SHEIKH, et al.,

 Plaintiffs

 v.

TESLA, INC. d/b/a TESLA MOTORS, INC.,

 Defendant.

Case No. 5:17-cv-02193-BLF

PRELIMINARY APPROVAL
ORDER

PRELIMINARY APPROVAL ORDER

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2 This matter is before the Court on Plaintiffs Dean Sheikh, John Kelner, Tom Milone,
3 Daury Lamarche and Michael Verdolin’s (“Plaintiffs”) unopposed Motion for Preliminary
4 Approval of Class Action Settlement (the “Motion”). The Motion attaches and incorporates a
5 Settlement Agreement and Release (the “Settlement Agreement”) that, together with the exhibits
6 thereto, set forth the terms and conditions for the settlement of claims, on a classwide basis,
7 against Defendant Tesla, Inc. (“Tesla” and, along with Plaintiffs, the “Parties”).

8 Having carefully considered the Motion and the Settlement Agreement, and all of the files,
9 records, and proceedings herein, and the Court determining upon preliminary examination that
10 the Settlement Agreement appears to be fair, reasonable, and adequate, and that the proposed plan
11 of notice to the Settlement Class is the best notice practicable under the circumstances and
12 consistent with requirements of due process and Federal Rule of Civil Procedure 23, and that a
13 hearing should and will be held after notice to the Settlement Class to confirm that the Settlement
14 Agreement is fair, reasonable, and adequate, and to determine whether this Court should enter a
15 judgment approving the Settlement and an order of dismissal of this action based upon the
16 Settlement Agreement:

17 NOW, THEREFORE, IT IS HEREBY ORDERED:

18 1. Unless otherwise defined herein, capitalized terms and phrases in this Order shall
19 have the same meaning as ascribed to them in the Settlement Agreement.

20 2. For purposes of settlement only, the Court has jurisdiction over the subject matter
21 of this action and personal jurisdiction over the Parties and the members of the Settlement Class
22 described below.

23 3. The Court finds that, subject to the Final Approval Hearing, the Settlement
24 Agreement is fair, reasonable, adequate, and in the best interests of the Settlement Class. The
25 Court further finds that the Settlement Agreement substantially fulfills the purposes and
26 objectives of the class action, and provides beneficial relief to the Settlement Class. The Court
27 also finds that the Settlement Agreement (a) is the result of arm’s-length negotiations involving
28 experienced counsel, with the assistance of mediator Randall Wulff, Esq.; (b) is sufficient to

1 warrant notice of the settlement and the Final Approval Hearing to the Settlement Class; (c) meets
2 all applicable requirements of law, including Federal Rule of Civil Procedure 23 and the Class
3 Action Fairness Act; and (d) is not a finding or admission of liability by Tesla.

4 **Certification of Settlement Class**

5 4. Under Rule 23(b)(3) of the Federal Rules of Civil Procedure, and for purposes of
6 settlement only, the Court preliminarily approves the following Settlement Class:

7 All U.S. residents who purchased Enhanced Autopilot in connection
8 with their purchase or lease of a Tesla Hardware 2 Model S or Model
X vehicle delivered to them on or before September 30, 2017.

9 5. All persons who are members of the Settlement Class who have not submitted a
10 timely request for exclusion are referred to collectively as “Settlement Class Members” or
11 individually as a “Settlement Class Member.”

12 6. For purposes of settlement only, the Court finds that the prerequisites for a class
13 action under Federal Rules of Civil Procedure 23(a) and (b)(3) have been met, including that the
14 Settlement Class is sufficiently numerous, that there are questions of law and fact common to
15 members of the Settlement Class that predominate, that the claims of Plaintiffs are typical of the
16 claims of the Settlement Class, that Plaintiffs and their counsel adequately represent the interests
17 of the Settlement Class, and that a settlement class action is a superior method of adjudicating this
18 Action.

19 7. Under Federal Rule of Civil Procedure 23, and for settlement purposes only,
20 Plaintiffs Dean Sheikh, John Kelner, Tom Milone, Daury Lamarche and Michael Verdolin are
21 hereby appointed Class Representatives and the following are hereby appointed as Class Counsel:

22 Steve W. Berman
23 Thomas E. Loeser
24 Robert F. Lopez
25 HAGENS BERMAN SOBOL SHAPIRO LLP
1918 Eighth Avenue, Suite 3300
Seattle, WA 98101

26 **Notice and Administration**

27 8. The Court hereby approves of KCC LLC to perform the functions and duties of the
28 Settlement Administrator set forth in the Settlement Agreement—including providing notice to

1 the Settlement Class and administering distributions from the Settlement Fund—and to provide
2 such other administration services as are reasonably necessary to facilitate the completion of the
3 Settlement.

4 9. The Court has carefully considered the forms and methods of notice to the
5 Settlement Class set forth in the Settlement Agreement (“Notice Plan”). The Court finds that the
6 Notice Plan constitutes the best notice practicable under the circumstances, and satisfies fully the
7 requirements of Rule 23 of the Federal Rules of Civil Procedure, the requirements of due process,
8 and the requirements of any other applicable law, such that the terms of the Settlement
9 Agreement, the releases provided for therein, and this Court’s final judgment will be binding on
10 all Settlement Class Members.

11 10. The Court hereby approves the Notice Plan and the form, content, and
12 requirements of the Class Notice attached as Exhibit A, hereto, and the Summary Notice attached
13 as Exhibit B, hereto. The Settlement Administrator shall cause the Notice Plan to be executed on
14 or before **July 23, 2018**. Class Counsel, prior to the Final Approval Hearing, shall file with the
15 Court a declaration executed by the Settlement Administrator attesting to the timely completion
16 of the Notice Plan.

17 11. All costs of providing notice to the Settlement Class, notice to appropriate federal
18 and state officials as required by the Class Action Fairness Act of 2005, and administering
19 distributions from the Settlement Fund shall be separately paid by Tesla, as provided by the
20 Settlement Agreement.

21 **Exclusion and “Opt-Outs”**

22 12. Each and every member of the Settlement Class shall be bound by all
23 determinations and orders pertaining to the Settlement, including the release of all claims to the
24 extent set forth in the Settlement Agreement, unless such persons request exclusion from the
25 Settlement in a timely and proper manner, as hereinafter provided.

26 13. A Settlement Class Member wishing to request exclusion (or “opt-out”) from the
27 Settlement shall mail the request in written form and postmarked no later than **September 6,**
28 **2018**, to the Settlement Administrator at the address specified in the Class Notice. In the written

1 request for exclusion, the Settlement Class Member must state his or her desire to be excluded
2 from the Settlement Class, as well as the Settlement Class Member's name, address, and
3 signature. The request for exclusion shall not be effective unless the request for exclusion
4 provides the required information and is made within the time stated above. No member of the
5 Settlement Class, or any person acting on behalf of or in concert or in participation with a
6 member of the Settlement Class, may request exclusion of any other member of the Settlement
7 Class from the Settlement.

8 14. Members of the Settlement Class who timely request exclusion from the
9 Settlement will relinquish their rights to benefits under the Settlement and will not release any
10 claims against Tesla.

11 15. All Settlement Class Members who do not timely and validly request exclusion
12 shall be so bound by all terms of the Settlement Agreement and by the Final Approval Order and
13 Judgment even if they have previously initiated or subsequently initiate individual litigation or
14 any other proceedings against Tesla.

15 16. The Settlement Administrator will provide promptly, and no later than five (5)
16 business days following the deadline for Settlement Class Members to opt-out, all Parties with
17 copies of any exclusion requests, and Plaintiffs shall file a list of all persons who have validly
18 opted out of the Settlement with the Court prior to the Final Approval Hearing.

19 Objections

20 17. Any Settlement Class Member who does not file a timely request for exclusion,
21 but who wishes to object to approval of the proposed Settlement, to the award of attorneys' fees
22 and costs, or to the service awards to the Class Representatives must mail to the Class Action
23 Clerk or file with the Court a written statement that includes: a caption or title that identifies it as
24 "Objection to Class Settlement in *Sheikh, et al. v. Tesla, Inc.*, Case No. 5:17-CV-02193-BLF;" the
25 Settlement Class Member's name, address, and telephone number; all grounds for the objection,
26 with any factual and legal support for each stated ground; the identity of any witnesses he or she
27 may call to testify; copies of any exhibits that he or she intends to introduce into evidence at the
28 Final Approval Hearing; and a statement of whether the Settlement Class Member intends to

1 appear at the Final Approval Hearing with or without counsel. The Court will consider objections
2 to the Settlement, to the award of attorneys' fees and costs, or to the service awards to the Class
3 Representatives only if such objections and any supporting papers are postmarked or filed on or
4 before **September 6, 2018**.

5 18. A Settlement Class Member who has timely filed a written objection stating the
6 Class Member's intention to appear at the Final Approval Hearing as set forth above may appear
7 at the Final Approval Hearing in person or through counsel to be heard orally regarding his or her
8 objection. It is not necessary, however, for a Settlement Class Member who has filed a timely
9 objection to appear at the Final Approval Hearing. No Settlement Class Member wishing to be
10 heard orally in opposition to the approval of the Settlement and/or the request for attorneys' fees
11 and costs and/or the request for service awards to the Class Representatives will be heard unless
12 that Settlement Class Member has filed a timely written objection as set forth above, including a
13 statement that the Settlement Class Member intends to appear at the Final Approval Hearing. No
14 non-party, including members of the Settlement Class who have timely opted out of the
15 Settlement, will be heard at the Final Approval Hearing.

16 19. Any member of the Settlement Class who does not make an objection to the
17 Settlement in the manner provided herein shall be deemed to have waived and forfeited any and
18 all rights he or she may have to object, appear, present witness testimony, and/or submit
19 evidence; shall be barred from appearing, speaking, or introducing any testimony or evidence at
20 the Final Approval Hearing; shall be precluded from seeking review of the Settlement Agreement
21 by appeal or other means; and shall be bound by all terms of the Settlement Agreement and by all
22 proceedings, orders, and judgments in the Action.

23 **Final Approval Hearing**

24 20. The Federal Rule of Civil Procedure 23(e) Final Approval Hearing is hereby
25 scheduled to be held before the Court at **9:00 AM** on **October 17, 2018**, at the San Jose
26 Courthouse, Courtroom 3, 5th Floor, 280 S. 1st Street, San Jose, CA 91513, for the following
27 purposes:
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1 (a) to finally determine whether the applicable prerequisites for settlement
2 class action treatment under Federal Rules of Civil Procedure 23(a) and (b) are met;

3 (b) to determine whether the Settlement is fair, reasonable, and adequate, and
4 should be given final approval by the Court;

5 (c) to determine whether the judgment as provided under the Settlement
6 Agreement should be entered;

7 (d) to consider the application for an award of attorneys' fees and expenses of
8 Class Counsel;

9 (e) to consider the application for service awards to the Class Representatives;

10 (f) to consider the distribution of the Settlement benefits under the terms of the
11 Settlement Agreement; and

12 (g) to rule upon such other matters as the Court may deem appropriate.

13 21. On or before fourteen (14) days in advance of **September 6, 2018**, Class Counsel
14 shall file any application for attorneys' fees and expenses and service awards to the Class
15 Representatives. Papers in support of final approval of the settlement shall be filed no later than
16 **October 5, 2018**. Either Party may, but need not, file a response to any objection no later than
17 ten (10) days prior to the Final Approval Hearing. The Final Approval Hearing may be
18 postponed, adjourned, transferred, or continued by order of the Court without further notice to the
19 Settlement Class. At, or following, the Final Approval Hearing, the Court may enter a Final
20 Approval Order and Judgment in accordance with the Settlement Agreement that will adjudicate
21 the rights of all class members.

22 22. For clarity, the deadlines the Parties shall adhere to are as follows:

23 **Class Notice Mailed by:** **July 23, 2018**

24 **Objection/Exclusion Deadline:** **September 6, 2018**

25 **Final Approval Hearing:** **October 17, 2018 at 9:00 AM**

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27 23. Settlement Class Members do not need to appear at the Final Approval Hearing or
28 take any other action to indicate their approval.

Further Matters

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2 24. All discovery and other pretrial proceedings in the Action as between the Plaintiffs
3 and Tesla are stayed and suspended until further order of the Court except such actions as may be
4 necessary to implement the Settlement Agreement and this Order.

5
6 25. In order to protect its jurisdiction to consider the fairness of this Settlement
7 Agreement and to enter a Final Approval Order and Judgment having binding effect on all
8 Settlement Class Members, the Court hereby enjoins all Settlement Class Members, and anyone
9 who acts or purports to act on their behalf, from pursuing or continuing to pursue all other
10 proceedings in any state or federal court or any other proceeding that seeks to address Releasing
11 Parties' or any Settlement Class Member's rights or claims relating to, or arising out of, any of
12 the Released Claims.

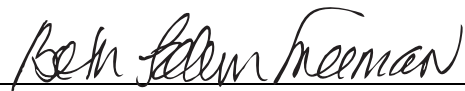
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14 26. Neither the Settlement nor the Settlement Agreement constitutes an admission,
15 concession, or indication by the Parties of the validity of any claims or defenses in the Action or
16 of any liability, fault, or wrongdoing of any kind by Tesla, which vigorously denies all of the
17 claims and allegations raised in the Action.

18
19 27. In the event that the Settlement Agreement is terminated under the terms of the
20 Settlement Agreement, or if for any reason whatsoever the approval of it does not become final
21 and no longer subject to appeal, then: (i) the Settlement Agreement shall be null and void,
22 including any provisions related to the award of attorneys' fees and costs, shall have no further
23 force and effect with respect to any party in this Action, and may not be referred to or used as
24 evidence or for any other purpose whatsoever in the Action or any other action or proceeding; (ii)
25 all negotiations, proceedings, documents prepared, and statements made in connection therewith
26 shall be without prejudice to any person or party hereto, shall not be deemed or construed to be an
27 admission by any party of any act, matter, or proposition, and shall not be used in any manner of
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1 or for any purpose in any subsequent proceeding in this Action or in any other action in any court
2 or other proceeding, provided, however, that the termination of the Settlement Agreement shall
3 not shield from subsequent discovery any factual information provided in connection with the
4 negotiation of this Settlement Agreement that would ordinarily be discoverable but for the
5 attempted settlement; (iii) this Order shall be vacated and of no further force or effect whatsoever,
6 as if it had never been entered; and (iv) any party may elect to move the Court to implement the
7 provisions of this paragraph, and none of the non-moving parties (or their counsel) shall oppose
8 any such motion. This Order shall not be construed or used to show that certification of one or
9 more classes would or would not be appropriate if the Action were to be litigated rather than
10 settled.
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12 28. The Court retains jurisdiction to consider all further matters arising out of or
13 connected with the Settlement.
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15 DATED: June 8, 2018



16 Honorable Beth Labson Freeman
17 United States District Judge
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Exhibit A

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF CALIFORNIA

If you purchased Tesla’s Enhanced Autopilot in connection with your purchase or lease of a Model S or X car delivered to you on or before September 30, 2017, a class action settlement may affect your rights.

A Federal Court authorized this Notice. You are not being sued. This is not a solicitation from a lawyer.

A proposed settlement (“Settlement”) has been reached in a class action lawsuit called *Sheikh, et al. v. Tesla, Inc.*, No. 5:17-CV-02193-BLF, pending in the U.S. District Court for the Northern District of California. The lawsuit alleges, among other things, that Tesla did not release Enhanced Autopilot features with capabilities that corresponded to the schedule it had previously indicated to its customers. While Tesla acknowledges that it took longer than it initially expected to roll out these features, and it has thus agreed to a settlement, it strongly denies any claim of wrongful conduct.

You are included in the Settlement Class if you purchased Enhanced Autopilot in connection with the purchase or lease of a Tesla Hardware 2 Model S or Model X vehicle that was delivered to you on or before September 30, 2017, provided that you do not exclude yourself from the Settlement as detailed below.

If the Court approves the Settlement, Tesla will create a \$5,415,280 Settlement Fund, from which eligible Settlement Class Members will receive payment. Your payment amount will depend on factors including: (1) Tesla’s representations regarding Enhanced Autopilot at the time you purchased or leased your vehicle, (2) the timing and content of Tesla’s releases of Enhanced Autopilot software upgrades, and (3) the total number of months up to and including September 30, 2017 during which you were in possession of your vehicle. Attorneys’ fees and costs and service awards to the Class Representatives will be deducted from the Settlement Fund before the balance is distributed to Settlement Class Members. Payments to Settlement Class Members will range from approximately \$20 to \$280. Tesla also reaffirms its commitment to release any Enhanced Autopilot features that as of the Effective Date of the Settlement are not already released in Tesla Hardware 2 Vehicles.

Please read this Notice carefully. Whether you act or not, your legal rights as a Settlement Class Member are affected by the Settlement.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
PARTICIPATE IN THE SETTLEMENT (DO NOTHING)	If you do nothing, a check will automatically be mailed to you after the Settlement becomes final. You will be bound by all the terms of the Settlement, and you won’t be able to sue Tesla in a future lawsuit about the issues covered by the Settlement. You will not need to do anything to receive your payment.

EXCLUDE YOURSELF	You will receive no payment, but you will retain any right you currently have to sue Tesla about the issues covered by the Settlement.
OBJECT	Write to the Court explaining why you don't like the Settlement. You may object only if you do not exclude yourself from the Settlement Class.
ATTEND THE FINAL APPROVAL HEARING	If you object, you may also ask to speak in court about the fairness of the Settlement.

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

The Court in charge of this case still has to decide whether to approve the Settlement. Payments will be provided only after any issues with the Settlement are resolved. Please be patient.

BASIC INFORMATION

1. Why was this Notice issued?

A Court authorized this Notice to let you know about a proposed Settlement with the Defendant. You have legal rights and options that you may act on before the Court decides whether to approve the proposed Settlement. This Notice explains the lawsuit, the Settlement, and your legal rights.

Judge Beth Labson Freeman of the U.S. District Court for the Northern District of California is overseeing this class action. The case is known as *Sheikh, et al. v. Tesla, Inc.*, No. 5:17-CV-02193-BLF. The people who sued are called Plaintiffs or Class Representatives. The company they sued, Tesla, Inc., is called the Defendant.

2. What is a class action lawsuit?

In a class action, one or more people called Plaintiffs or Class Representatives sue on behalf of a group of people who have similar claims. In this case, these people are together called a Settlement Class or Settlement Class Members. In a class action, the court resolves the issues for all Settlement Class Members, except for those who exclude themselves from the Settlement Class. After the Parties reached an agreement to settle this case, the Court recognized it as a case that may be treated as a class action for settlement purposes.

THE CLAIMS IN THE LAWSUIT AND THE SETTLEMENT

3. What is this lawsuit about?

The lawsuit alleges, among other things, that Tesla did not release Enhanced Autopilot features with capabilities that corresponded to the schedule it had previously indicated to its customers. While Tesla acknowledges that it took longer than it initially expected to roll out these features, and it has thus agreed to a settlement, it strongly denies any claim of wrongful conduct.

More information about the Complaint in the lawsuit can be found at the Settlement website, www.autopilotsettlement.com.

4. Why is there a Settlement?

The Court has not decided whether the Plaintiffs or the Defendant should win this case. Instead, both sides agreed to a settlement. The Class Representatives and their attorneys (“Class Counsel”) believe that the Settlement is in the best interests of the Settlement Class Members.

WHO’S INCLUDED IN THE SETTLEMENT?

5. How do I know if I am in the Settlement Class?

The Court decided that this Settlement includes a Settlement Class of all U.S. residents who purchased Enhanced Autopilot in connection with their purchase or lease of a Tesla Hardware 2 Model S or Model X vehicle delivered to them on or before September 30, 2017. (A “Tesla Hardware 2 Model S or Model X vehicle” is a Tesla Model S or X vehicle equipped with Hardware 2 that Tesla commenced shipping in October 2016.) Everyone who fits this description is a member of the Settlement Class.

If you received a postcard about this class action, you may be a member of the Settlement Class.

THE SETTLEMENT BENEFITS

6. What does the Settlement provide?

As part of the Settlement, Tesla has agreed to create a \$5,415,280 Settlement Fund. The Settlement Fund will be used to pay all valid claims, attorneys’ fees and costs, and any service awards to the Class Representatives. Any attorneys’ fees and costs and service awards to the Class Representatives authorized by the Court will be deducted from the Settlement Fund before the balance is distributed to Settlement Class members. Each Settlement Class Member’s allocated share of the balance (“Settlement Class Recovery”) will be calculated by the Settlement Administrator based upon a formula reflecting: (1) Tesla’s representations regarding Enhanced Autopilot at the time the Settlement Class Member purchased or leased the vehicle, (2) the timing and content of Tesla’s releases of Enhanced Autopilot software upgrades, and (3) the total number of months up to and including September 30, 2017 during which the Settlement Class Member was in possession of the vehicle. Each Settlement Class Member’s estimated allocated share of the Settlement Class Recovery, based on a Settlement Class Recovery of Four Million Four Hundred Fifteen Thousand Two Hundred and Eighty Dollars (\$4,415,280), is set forth in the following chart. The actual allocation will be adjusted in proportion to the actual Settlement Class Recovery, the final number of Settlement Class Members, and other factors.

Month class member took delivery	Oct-16	Nov-16	Dec-16	Jan-2017	Feb-2017	Mar-2017	Apr-2017	May-2017	Jun-2017	Jul-2017	Aug-2017	Sep-2017
Class members who purchased prior to January 24, 2017	\$280	\$280	\$280	\$280	\$225	\$200	\$150	\$125	\$100	\$75	\$50	\$25
Class members who purchased January 24, 2017 or later	NA	NA	NA	\$210	\$170	\$150	\$115	\$95	\$75	\$55	\$40	\$20

Under the Settlement Agreement, Settlement Class Members will be paid by check with no requirement that they submit a claim.

As part of the Settlement, Tesla also reaffirms its commitment to release any Enhanced Autopilot features that as of the Effective Date of the Settlement are not already released in Tesla Hardware 2 Vehicles.

HOW TO GET BENEFITS

7. How do I make a claim?

You do not need to submit a claim to receive the benefits of the proposed Settlement. If the proposed Settlement is finally approved, and you are a Settlement Class Member, you will be bound by the Court's Final Judgment and the release of claims explained in the Settlement Agreement.

8. When will I get my payment?

The Final Approval Hearing to consider the final fairness of the Settlement is scheduled for **9:00 AM on October 17, 2018**. If the Court approves the Settlement, and after any appeals process is completed, eligible Settlement Class Members will be sent a check in the mail. Please be patient. All checks will expire and become void 90 days after they are issued.

THE LAWYERS REPRESENTING YOU

9. Do I have a lawyer in this case?

Yes, the Court has appointed lawyers Steve W. Berman, Thomas E. Loeser, and Robert F. Lopez of Hagens Berman Sobol Shapiro LLP as the attorneys to represent you and other Settlement Class Members. These attorneys are called "Class Counsel." In addition, the Court appointed Plaintiffs Dean Sheikh, John Kelner, Tom Milone, Daury Lamarche and Michael Verdolin to serve as the Class Representatives. They are Settlement Class Members like you. Class Counsel's contact information is as follows: (206) 623-7292 or Hagens Berman Sobol Shapiro LLP, 1918 Eighth Avenue, Suite 3300, Seattle, WA 98101.

10. Should I get my own lawyer?

You don't need to hire your own lawyer because Class Counsel is working on your behalf. But, if you want your own lawyer, you will have to pay that lawyer. For example, you can ask your lawyer to appear in Court for you at your own expense if you want someone other than Class Counsel to represent you.

11. How will the lawyers be paid?

Class Counsel will ask the Court for attorneys' fees and costs totaling up to \$976,000, and will also request an award of up to \$4,800 for each of the five Class Representatives. The Court may award less than the amounts requested by Class Counsel and the Class Representatives, and any money not awarded from these requests will stay in the Settlement Fund to pay Settlement Class Members.

YOUR RIGHTS AND OPTIONS

QUESTIONS? CALL 855-201-3575 OR VISIT WWW.AUOTOPILOTSETTLEMENT.COM

12. What happens if I do nothing?

If you do nothing, you will be in the Settlement Class, and, if the Court approves the Settlement, a check will automatically be mailed to you after the Settlement becomes final. You will also be bound by all orders and judgments of the Court. Unless you exclude yourself, you won't be able to start a lawsuit or be part of any other lawsuit against Tesla for the claims being resolved by this Settlement.

13. What happens if I ask to be excluded?

If you exclude yourself from the Settlement, you can't claim any money or receive any benefits as a result of the Settlement. You will not be bound by any orders and judgments of the Court. You will be able to start a lawsuit or be part of any other lawsuit against Tesla for the claims being resolved by this Settlement.

14. How do I ask to be excluded?

You can ask to be excluded from the Settlement. To do so, you must send a letter clearly stating that you want to be excluded from the Settlement in *Sheikh, et al. v. Tesla, Inc.*, No. 5:17-CV-02193-BLF. Your letter must also include your name, address, and your signature. You must mail your exclusion request no later than **September 6, 2018** to:

Sheikh, et al. v. Tesla Settlement
PO Box 404000
Louisville, KY 40233-4000

You can't exclude yourself via phone, fax, or email.

15. If I don't exclude myself, can I sue the Defendant for the same thing later?

No. Unless you exclude yourself, you give up any right to sue the Tesla for the claims being resolved by this Settlement.

16. If I exclude myself, can I get anything from this Settlement?

No. If you exclude yourself, you give up any right to receive money from the Settlement.

17. How do I object to the Settlement?

If you are a Settlement Class Member and you do not exclude yourself from the Settlement Class, you can object to the Settlement if you don't like any part of it. You can also object to Class Counsel's request for attorneys' fees and costs and/or to the service awards for the Class Representatives. The Court will consider your views.

Your objection and supporting papers must (1) be in writing; (2) contain a caption or title that identifies it as "Objection to Class Settlement in *Sheikh, et al. v. Tesla, Inc.*, Case No. 5:17-CV-02193-BLF;" (3) provide the additional information identified in the next paragraph; (4) be submitted to the Court either by mailing it to the Class Action Clerk, United States District Court for the Northern District of California, 280 S. 1st Street, San Jose, CA 91513, or by filing it in person at any location of the United States District Court for the Northern District of California; and (5) be filed or postmarked on or before **September 6, 2018**.

The objection shall contain the following information: (1) your name, address, and telephone number; (2) all grounds for the objection, with any factual and legal support for each stated ground; (3) the identity of any witnesses you may call to testify; (4) copies of any exhibits that you intend to introduce into evidence at the Final Approval Hearing; and (5) a statement of whether or not you intend to appear at the Final Approval Hearing with or without counsel. If you do not timely file with the Court a written objection in accordance with these requirements, your objection will be considered invalid and waived, and you will be bound by all the terms of the Settlement and by all proceedings, orders, and judgments in the Action.

Class Counsel will file with the Court and post on the Settlement website its request for attorneys' fees and costs and service awards on August 23, 2018.

18. What's the difference between objecting and excluding myself from the Settlement?

Objecting simply means telling the Court that you don't like something about the Settlement. You can object only if you stay in the Settlement Class (i.e., you don't exclude yourself from the Settlement). Excluding yourself from the Settlement Class is telling the Court that you don't want to be part of the Settlement Class. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT'S FINAL APPROVAL HEARING

19. When and where will the Court hold the Final Approval Hearing on the fairness of the Settlement?

The Final Approval Hearing has been set for **9:00 AM on October 17, 2018**, before the Honorable Beth Labson Freeman at the San Jose Courthouse, Courtroom 3, 5th Floor, 280 S. 1st Street, San Jose, CA 91513. At the Final Approval Hearing, the Court will hear any objections and arguments concerning the fairness of the proposed Settlement, including the amount requested by Class Counsel for attorneys' fees and costs and the service awards to the Class Representatives.

Note: The date and time of the Final Approval Hearing are subject to change by Court order, but any changes will be posted at the Settlement website, www.autopilotsettlement.com, or through the Court's Public Access to Court Electronic Records (PACER) system at <https://ecf.cand.uscourts.gov>.

20. Do I have to come to the Final Approval Hearing?

No. Class Counsel will answer any questions the Court may have, but you are welcome to come at your own expense. If you send an objection, you don't have to come to court to talk about it. As long as your written objection was filed with the Court on time and meets the other criteria described above, the Court will consider it. You may also pay another lawyer to attend, but you don't have to.

21. May I speak at the Final Approval Hearing?

If you do not exclude yourself from the Settlement Class, you may ask the Court for permission to speak at the Final Approval Hearing concerning any part of the proposed Settlement by asking to speak in your objection by following the instructions above in Section 17.

GETTING MORE INFORMATION

QUESTIONS? CALL 855-201-3575 OR VISIT WWW.AUOTOPILOTSETTLEMENT.COM

22. Where can I get additional information?

This Notice summarizes the proposed Settlement. For the precise terms and conditions of the Settlement, please see the Settlement Agreement available at www.autopilotsettlement.com, contact Class Counsel at (206) 623-7292, access the Court docket in this case through the Court's PACER system at <https://ecf.cand.uscourts.gov>, or visit the Office of the Clerk of the Court for the United States District Court for the Northern District of California, between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays.

More information about the Settlement is available at www.autopilotsettlement.com, toll-free at 855-201-3575, or by contacting Class Counsel.

PLEASE DO NOT CONTACT THE COURT, THE JUDGE, OR THE DEFENDANT WITH QUESTIONS ABOUT THE SETTLEMENT OR CLAIMS PROCESS.

Exhibit B

LEGAL NOTICE

If you purchased Tesla's Enhanced Autopilot in connection with your purchase or lease of a Model S or X car delivered to you on or before September 30, 2017, a class action settlement may affect your rights.

A Federal Court authorized this notice.

You are not being sued.

This is not a solicitation from a lawyer.

For complete information and details, visit www.autopilotsettlement.com or call (855) 201-3575.

A proposed settlement (“Settlement”) has been reached in a class action lawsuit called *Sheikh, et al. v. Tesla, Inc.*, No. 5:17-CV-02193-BLF, pending in the U.S. District Court for the Northern District of California. The lawsuit alleges, among other things, that Tesla did not release Enhanced Autopilot features with capabilities that corresponded to the schedule it had previously indicated to its customers. While Tesla acknowledges that it took longer than it initially expected to roll out these features, and it has thus agreed to a settlement, it strongly denies any claim of wrongful conduct.

Why am I being contacted? You may be a “Settlement Class Member” if you are a U.S. resident who purchased Enhanced Autopilot in connection with your purchase or lease of a Tesla Hardware 2 Model S or Model X vehicle delivered to you on or before September 30, 2017.

What can I get out of the Settlement? If the Court approves the Settlement, Tesla will create a \$5,415,280 Settlement Fund, from which eligible Settlement Class Members will receive payment. Your payment amount will depend on factors including: (1) Tesla’s representations regarding Enhanced Autopilot at the time you purchased or leased your vehicle, (2) the timing and content of Tesla’s releases of Enhanced Autopilot software upgrades, and (3) the total number of months up to and including September 30, 2017 during which you were in possession of your vehicle. Attorneys’ fees and costs and service awards to the Class Representatives will be deducted from the Settlement Fund before the balance is distributed to Settlement Class Members. Payments will range from approximately \$280 for Class Members who ordered their car prior to January 24, 2017, and took delivery before February 1, 2017, to approximately \$20 for persons who ordered their car on or after January 24, 2017, and took delivery in September 2017. Tesla also reaffirms its commitment to release any Enhanced Autopilot features that as of the Effective Date of the Settlement are not already released in Tesla Hardware 2 Vehicles.

How do I get my payment? You are not required to take any action to receive the benefits of the proposed Settlement. Unless you exclude yourself, you will remain a part of the Settlement Class and a check will automatically be mailed to you after the Settlement becomes final.

What are my options? You can do nothing and automatically be included in the Settlement Class or exclude yourself from the Settlement. Whether you act or not, your rights will be affected. If you remain a part of the Settlement Class, you won’t be able to sue Tesla in a future lawsuit about the claims covered by the Settlement. If you exclude yourself, you won’t get a payment—but you’ll keep your right to sue Tesla in a separate lawsuit on the claims covered by the Settlement. You must contact the Settlement Administrator by mail to exclude yourself. If you do not exclude yourself, you can object to the Settlement, Class Counsel’s request for fees and costs, or the requests for service awards. ***All Requests for Exclusion and Objections must be postmarked or filed in person by September 6, 2018.***

Do I have a lawyer? Yes. The Court has appointed lawyers from Hagens Berman Sobol Shapiro LLP as “Class Counsel.” They represent you and other Settlement Class Members. There’s no charge for their services. You can hire your own lawyer, but you’ll need to pay your own legal fees.

When will the Court approve the Settlement? The Court will hold a final approval hearing at 9:00 AM on October 17, 2018, at the San Jose Courthouse, Courtroom 3, 5th Floor, 280 S. 1st Street, San Jose, CA 91513. The Court will hear any objections, determine if the Settlement is fair, and consider Class Counsel’s request for fees and costs of up to \$976,000, and a service award of up to \$4,800 for each of the five Class Representatives. If approval is denied, is reversed on appeal, or does not become final, the case will continue, and no payments will be made.

For a detailed notice and more information about the Settlement, including how to exclude yourself or object, go to www.autopilotsettlement.com or call toll free 1-855-201-3575.