

**PROPOSED SETTLEMENTS AND DISTRIBUTION OF SETTLEMENT FUNDS
IN CANADIAN AUTO PARTS PRICE-FIXING CLASS ACTIONS**

**If you bought or leased a new or used vehicle, or certain automotive parts,
since January 1999, you should read this notice carefully.
It may affect your legal rights.**

A. WHAT IS A CLASS ACTION?

A class action is a lawsuit filed by one person on behalf of a large group of people.

B. WHAT ARE THESE CLASS ACTIONS ABOUT?

Class actions have been started in Canada which claim that many companies participated in conspiracies to fix the prices of automotive parts sold in Canada.

This notice is about class actions relating to the following automotive parts (the “Relevant Parts”):

Part	Description	Purchase Period
Air Flow Meters	An Air Flow Meter is a device that measures the volume of air flowing into a combustion engine and is often referred to as a mass air flow sensor.	January 1, 2000 to March 20, 2017
Alternators	An Alternator is a device that charges a vehicle’s battery when its engine is running.	January 1, 2000 to March 20, 2017
Automotive Wire Harness Systems	An Automotive Wire Harness System is an electrical distribution system used to direct and control electronic components, wiring, and circuit boards.	January 1, 1999 to November 2, 2016
Electronic Control Units	An Electronic Control Unit is a wide variety of different types of electronic modules that control one or more of the different electrical systems or sub-systems in an automotive vehicle.	January 1, 1999 to November 2, 2016
Electronic Throttle Bodies	An Electronic Throttle Body is a component of an electronic throttle control system controlling the volume of air flowing into the engine according to a signal from the engine control unit.	January 1, 2000 to March 20, 2017
Fuel Injection Systems	A Fuel Injection System is a system that admits fuel or a fuel/air mixture into engine cylinders, including, without limitation, the following components: injectors; high pressure pumps; rail assemblies; feed lines; and other components sold as a unitary system.	January 1, 2000 to March 20, 2017
Ignition Coils	An Ignition Coil is an induction coil that transforms the low voltage of an automobile’s battery into the necessary voltage required to create an electric spark in the spark plugs to ignite the fuel.	January 1, 2000 to March 20, 2017
Inverters	An Inverter is a device that provides power to motors by converting direct current electricity from a vehicle’s battery to alternating current electricity.	January 1, 2000 to March 20, 2017

Part	Description	Purchase Period
Motor Generators	A Motor Generator is an electric motor used to power electric drive systems that can also capture energy from the process of stopping a vehicle to generate electricity through regenerative braking.	January 1, 2000 to March 20, 2017
Occupant Safety Systems	An Occupant Safety System includes seatbelts, steering wheels, airbags and safety electronic systems which control airbag deployment.	January 1, 2003 to December 4, 2014
Starters	A Starter is a device that powers a vehicle's battery, causing it to "turn over" and start when the driver turns the ignition switch.	January 1, 2000 to March 20, 2017
Valve Timing Control Devices	A Valve Timing Control Device is a device within the variable valve timing system which controls the timing of the opening and closing of engine valves.	January 1, 2000 to March 20, 2017

For more information about the particular class actions, see the relevant webpage online at www.classaction.ca/autoparts/ or www.sotosllp.com/class-actions/current-cases/auto-parts/.

With the exception of Inverters and Motor Generators, all vehicles contain the Relevant Parts. Inverters and Motor Generators are installed in hybrid or electric vehicles only.

The class actions were started in BC, Ontario and/or Quebec, but the cases include Canadian residents in all provinces and territories who were affected by the alleged conspiracy. These class actions claim that the companies that sell the Relevant Parts were involved in a conspiracy to illegally increase the prices of these products. These class actions ask that the Court require these companies to return any extra money that they may have received due to this alleged conspiracy.

C. WHO IS AFFECTED BY THE CLASS ACTIONS?

The class actions are about Relevant Parts purchased for installation in all vehicles, as well as all purchased (new or used) or leased vehicles containing the Relevant Parts.

The class actions were certified, or will be certified, as class proceedings as against the settling defendants for the purposes of implementing the settlement agreements.

You are affected by the class actions and a "member" of the settlement class if you are a person in Canada who, during the relevant purchase period (as set out in the chart above):

- purchased or leased a new or used vehicle in Canada;
- purchased a new or used vehicle for import into Canada; or
- purchased the Relevant Part in Canada.

D. WHAT SETTLEMENTS HAVE BEEN REACHED IN THE CLASS ACTIONS?

A settlement is when a defendant agrees to pay money to the members of the class action in exchange for being released from the case.

Settlements have been achieved with:

- Autoliv, Inc., Autoliv ASP, Inc., Autoliv B.V. & Co. K.G., Autoliv Electronics Canada Inc., Autoliv Japan Ltd., Autoliv Safety Technology, Inc., Autoliv Canada, Inc. and VOA Canada Inc. (“Autoliv”);
- Hitachi, Ltd., Hitachi Automotive Systems, Ltd. and Hitachi Automotive Systems Americas, Inc. (“Hitachi”); and
- Leoni AG, Leoni Kabel GmbH, Leoni Wiring Systems, Inc., Leonische Holding, Inc., Leoni Wire Inc., Leoni Elocab Ltd. and Leoni Bordnetz-Systeme GmbH (“Leoni”).

These defendants have agreed to pay the amounts set out below in exchange for a full release of the claims against them relating to the pricing of the Relevant Parts.

Autoliv Settlement:	
Occupant Safety Systems	US\$3,200,000
Hitachi Settlements:	
Air Flow Meters	\$725,000
Alternators	\$950,000
Electronic Control Units	\$150,000
Electronic Throttle Bodies	\$1,000,000
Fuel Injection Systems	\$1,267,084
Ignition Coils	\$1,100,000
Inverters	\$150,000
Motor Generators	\$150,000
Starters	\$575,000
Valve Timing Control Devices	\$600,000
Leoni Settlement:	
Automotive Wire Harness Systems	\$250,000
Total	\$10,117,084

The Autoliv, Hitachi and Leoni defendants have also agreed to provide cooperation to the plaintiffs in pursuing the applicable class actions against the remaining defendants. The Autoliv, Hitachi and Leoni defendants do not admit any liability, wrongdoing or fault.

The settlements are subject to approval of the Ontario, British Columbia and/or Quebec Courts. The Courts will hold hearings to decide whether to approve these settlements in the Ontario Court in the City of Toronto on May 1, 2017 at 10:00 a.m. and in the Quebec Court in the City of Quebec on June 21, 2017 at 9:30 a.m. The date for the hearing in the British Columbia Court will be posted online at: www.classaction.ca/autoparts once it has been scheduled. The Courts will decide whether the settlements are fair, reasonable, and in the best interests of settlement class members.

The Courts have previously approved settlements with the following defendants in the Automotive Wire Harness Systems action:

Defendant Groups	Amount
Lear	\$612,500
Yazaki	\$10,400,000
Chiyoda	\$75,000
Fujikura	\$1,083,280
Furukawa	\$2,300,000
Sumitomo	\$10,700,000
G.S. Electech	\$120,000
Total	\$25,290,780

Previous settlements have also been reached in:

- The Electronic Control Units action with Sumitomo for \$150,000; and
- The Occupant Safety Systems action with TRW Automotive for \$850,000.

The Hitachi settlements are the first settlements achieved in the other Relevant Parts actions.

E. WHAT DO I NEED TO DO?

If you want to be a member of these class actions, you do not need to do anything. However, there are two steps that you should take to protect your legal rights:

1. You should keep records of any purchases or leases of all vehicles or automotive parts for installation in all vehicles from January 1995 onward¹. Records include invoices, receipts and bank or loan statements.
2. You should register online at www.classaction.ca/autoparts to receive updates about these class actions and the other auto parts price-fixing class actions.

If you want to tell the Court what you think about the proposed settlements, the proposed Automotive Wire Harness Systems distribution protocol or speak to the Court at the hearings listed above, you must send your written submissions to Class Counsel by email at autoparts@sotosllp.com no later than April 24, 2017. The written submissions must state the nature of any comments or objections, and whether you intend to appear at the settlement approval hearing.

You may (but do not need to) attend the hearings. If you wish to attend the hearings, please contact Class Counsel for additional details.

F. WHAT HAPPENS TO THE MONEY PAID UNDER THE SETTLEMENTS?

The settlement funds (minus approved fees and expenses) for the Relevant Parts are being held in an interest-bearing trust account. The plaintiffs are seeking approval of the method for distributing the Automotive Wire Harness Systems settlement funds (see section H below). At a later date, the Court will decide how the settlement funds for the other Relevant Parts will be distributed and how you can apply to receive money from these settlements. Watch for another notice explaining how to claim money from the settlements.

G. WHAT IF I DON'T WANT TO BE IN THE CLASS ACTIONS?

Members of the Automotive Wire Harness Systems, Electronic Control Units and Occupant Safety Systems class actions were already provided an opportunity to exclude themselves from the class actions (“opt-out”) and advised that no further right to opt-out would be provided. Members of the other settlement classes can opt-out.

You can opt-out by sending a signed letter to Class Counsel, with the following information:

- your full name, current address and telephone number;
- if you are writing on behalf of a company, the name of the company and your position at the company;
- a statement saying that you (or the company) want to opt-out of the class actions. You must identify which class actions you (or the company) want to opt-out of; and
- your reason for opting out.

Requests to opt-out of the proceedings must be post-marked by June 19, 2017.

¹ The earliest class period in the Canadian auto parts class actions commenced in January 1995.

If you exclude yourself or opt-out:

- you will not be eligible to participate in the ongoing class action, and
- you will not receive any money from the class action, but
- you will be able to start or continue your own case against the defendants regarding the claims at issue in the class action.

If you do nothing, and so do not exclude yourself or opt-out:

- you will be eligible to participate in the ongoing class action, and
- you may receive money from the class action, but
- you will not be able to start or continue your own case against the defendants regarding the claims at issue in the class action.

This is your only chance to exclude yourself or opt-out of the class actions. No further right to opt-out will be provided.

Parallel class proceedings were commenced in Ontario against other defendants relating to the pricing of Alternators, Ignition Coils, and Valve Timing Control Devices. The right to opt-out applies in those actions as well and no further right to opt-out will be provided in respect of those actions. Information on those actions and the companies named as defendants is available on class counsel's websites at: www.classaction.ca/autoparts/ or www.sotosllp.com/class-actions/current-cases/auto-parts/.

H. PROPOSED DISTRIBUTION OF THE AUTOMOTIVE WIRE HARNESS SYSTEMS SETTLEMENT FUNDS

At the hearings, the Courts will be asked to approve a protocol for distributing the aggregate Automotive Wire Harness Systems settlement funds, plus accrued interest, less Court-approved legal fees and other expenses. A copy of the proposed distribution protocol is available at www.classaction.ca/auto-parts-automotive-wire-harness-systems/ or from Class Counsel.

The protocol is designed to compensate purchasers of Automotive Wire Harness Systems or Automotive Vehicles containing Automotive Wire Harness Systems in a manner that generally reflects the anticipated impact of the alleged price-fixing.

Based on information available to date—both through publicly available documents and information obtained in the prosecution of the action—the following vehicles are potentially affected by the alleged wrongful conduct:

- new passenger cars, sport utility vehicles, vans, and light trucks (up to 10,000 lbs) purchased and/or leased under the following brands: Toyota, Lexus, Honda, Acura, Subaru, Nissan, and Infiniti between January 1, 1999 and November 30, 2014; and
- new Pontiac Vibes purchased and/or leased between January 1, 1999 and November 30, 2014.

(the “Affected Vehicles”).

Settlement class members may claim in respect of up to three undocumented purchases and/or leases.

Subject to further order of the Ontario Court, the settlement funds will be distributed on a *pro rata* (proportional basis) based on the value of your claim relative to the value of all approved claims. The value of your claim will depend on:

- (a) The purchase price of the Affected Vehicle: The purchase price will be based on the information provided as part of the claims process or, where permitted pursuant to the distribution protocol, the manufacturer's suggested retail price (or a portion thereof for leased vehicles).
- (b) The timing of the Affected Vehicle purchase or lease: Purchases during the March 1, 2010 to November 30, 2014 period will be discounted by 50% to reflect the additional litigation risks associated with proving damages during this period.
- (c) The categorization of the Settlement Class Member: Settlement class members will be categorized as follows:
 - (i) *National Brand Importers* means General Motors of Canada Company (in respect of the Pontiac Vibe), Nissan Canada Inc., and Subaru Canada, Inc. National Brand Importers' purchases or leases will be valued at 7.5% of the purchase price.
 - (ii) *Dealership* means a Settlement Class Member who purchased Affected Vehicles from a National Brand Importer, Honda Canada Inc., Toyota Canada Inc. or a subsidiary thereof, for resale to End Users. Dealerships' purchases or leases will be valued at 25% of the purchase price.
 - (iii) *End User* means a Settlement Class Member who purchased or leased an Affected Vehicle for its own use and not for commercial resale. End Users' purchases or leases will be valued at 67.5% of the purchase price.

Settlement Class Members may fall into more than one category.

Sample Calculation:

If an End User purchased Affected Vehicles with purchase prices totaling \$50,000 between January 1, 1999 and February 28, 2010, and \$75,000 between March 1, 2010 and November 30, 2014, its claim value for the purposes of determining its *pro rata* share of the net settlement funds would be calculated as follows:

$$\begin{aligned} & \$50,000 \text{ (representing the purchase price)} \times 1 \text{ (representing the timing of the purchase or lease)} \times \\ & 0.675 \text{ (representing the categorization of the settlement class member as an End User)} = \$33,750 \end{aligned}$$

Plus

$$\begin{aligned} & \$75,000 \text{ (representing the purchase price)} \times 0.5 \text{ (representing the timing of the purchase or lease)} \times \\ & 0.675 \text{ (representing the categorization of the Settlement Class Member as an End User)} = \\ & \$25,312.50 \end{aligned}$$

Assuming the value of all qualifying Settlement Class Members' claims totalled \$10 million, this Settlement Class Member would be entitled to 0.59% (\$25,312.50/\$10 million) of the net settlement funds.

Subject to further order of the Ontario Court following the adjudication of all claims, all valid claims will be assigned a minimum value of \$25.

Recognizing that not all Settlement Class Members are eligible for a direct payment, a *cy pres* payment in the amount of \$250,000² will be made to the following non-profit organizations in equal shares:

- Automobile Protection Association;
- London Community Foundation; and
- Pro Bono Canada.

I. APPLYING FOR THE AUTOMOTIVE WIRE HARNESS SYSTEMS SETTLEMENT FUNDS

Information about how and when to apply for settlement funds under the distribution protocol will be available in a future notice and will be posted online at: www.classaction.ca/auto-parts-automotive-wire-harness-systems/ after the hearings listed in section D above. If you did not receive this notice by mail or email, please register online at: www.classaction.ca/autoparts or by telephone at 1-888-977-9806 to ensure that further notices will be sent to you directly, by mail or email.

If you consent as part of your application for settlement funds, your information will be used for the purposes of distributing any settlement funds in the other Canadian auto parts price-fixing class actions. Please note that the vehicles, makes, models and years affected by those class actions could be different.

J. WHO ARE THE LAWYERS WORKING ON THESE CLASS ACTIONS AND HOW ARE THEY PAID?

The law firms of Siskinds LLP and Sotos LLP represent members of these class actions in Ontario, and in provinces other than British Columbia or Quebec, as well as corporations of more than 50 employees in Quebec.

Siskinds LLP can be reached at:

Telephone (toll free): 1-800-461-6166 ext. 1315

Email: autopartsclassaction@siskinds.com

Mail: 680 Waterloo Street, London, ON N6A 3V8 Attention: Charles Wright

Sotos LLP can be reached at:

Telephone (toll free): 1-888-977-9806

Email: autoparts@sotosllp.com

Mail: 180 Dundas Street West, Suite 1200, Toronto, ON M5G 1Z8 Attention: Jean-Marc Leclerc

The law firm of Camp Fiorante Matthews Mogerman represents members of these class actions in British Columbia. British Columbia Class Counsel can be reached at:

Telephone: 1-800-689-2322

Email: aslevin@cfmlawyers.ca

Mail: #400 - 856 Homer Street, Vancouver, BC V6B 2W5 Attention: David Jones

The law firm of Siskinds Desmeules s.e.n.c.r.l. represents individuals and corporations of 50 or less employees who are members of these class actions in Quebec. Quebec Class Counsel can be reached at:

Telephone: 418-694-2009

Email: recours@siskindsdesmeules.com

Mail: Les promenades du Vieux-Quebec, 43 rue De Buade, bureau 320, Quebec City, QC G1R 4A2

Attention: Barbara Ann Cain.

As an individual, you do not have to pay the lawyers working on these class actions any money. The lawyers will be paid from the money collected in these class actions. The Courts will be asked to decide how much the lawyers will be paid. The lawyers will collectively be asking that the Courts approve legal fees of up to 25% of the Autoliv, Hitachi and Leoni settlement funds, plus disbursements and applicable taxes. Any approved legal fees

² Less any amounts payable to the Fonds d'aide aux actions collectives in accordance with the governing regulations.

will be paid out of the settlement funds. Class Counsel reserve the right to ask the Courts to allow Class Counsel to use the settlement funds to pay for any future adverse costs award or future disbursements.

K. WHERE CAN I ASK MORE QUESTIONS?

For more information, please visit www.classaction.ca/autoparts. If you have questions that are not answered online, please contact Class Counsel at the numbers listed above.

To receive future notices and updates regarding the auto parts class actions and any future settlements, register online at www.classaction.ca/autoparts.

L. INTERPRETATION

This notice contains a summary of some of the terms of the Autoliv, Hitachi and Leoni settlement agreements. If there is a conflict between the provisions of this notice and the settlement agreements, the terms of the settlement agreements shall prevail.

This notice has been approved by the Ontario, British Columbia and Quebec Courts.