

**UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

**IN RE AUTOMOTIVE PARTS
ANTITRUST LITIGATION**

CASE NO. 12-MD-02311

HON. MARIANNE O. BATTANI

In Re: OCCUPANT SAFETY SYSTEMS CASES

THIS RELATES TO:

2:12-cv-00601-MOB-MKM

ALL DIRECT PURCHASER ACTIONS

2:16-cv-10002-MOB-MKM

NOTICE

**NOTICE OF PROPOSED SETTLEMENTS OF DIRECT PURCHASER CLASS ACTION WITH
TOYODA GOSEI AND TOKAI RIKA DEFENDANTS AND HEARING ON:**

- (1) APPROVAL OF PROPOSED SETTLEMENTS;**
- (2) PLAN OF DISTRIBUTION OF THE SETTLEMENT FUND; AND**
- (3) MOTION OF SETTLEMENT CLASS COUNSEL FOR AWARD OF ATTORNEYS' FEES AND COSTS AND EXPENSES AND INCENTIVE AWARDS TO THE CLASS REPRESENTATIVES.**

TO: ALL INDIVIDUALS AND ENTITIES WHO PURCHASED OCCUPANT SAFETY SYSTEMS IN THE UNITED STATES DIRECTLY FROM A DEFENDANT FROM JANUARY 1, 2003 THROUGH FEBRUARY 25, 2015.

PLEASE READ THIS ENTIRE NOTICE CAREFULLY. YOUR LEGAL RIGHTS MAY BE AFFECTED BY LITIGATION NOW PENDING IN THIS COURT.

WHAT IS THE PURPOSE OF THIS NOTICE, AND WHY WAS IT SENT TO ME?

This Notice is given pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the Eastern District of Michigan, Southern Division. The purpose of this Notice is to inform you of a hearing before the Court to consider:

- (1) Proposed settlements with Defendants Toyoda Gosei Co., Ltd.; Toyoda Gosei North America Corp.; and TG Missouri Corp. (collectively, "Toyoda Gosei") and Defendants Tokai Rika Co., Ltd. and TRAM, Inc., d/b/a Tokai Rika U.S.A. Inc. (collectively, "Tokai Rika") (all Defendants referenced in this paragraph are collectively referred to as the "Settling Defendants");**
- (2) A plan of distribution of the Toyoda Gosei and Tokai Rika settlement proceeds to Settlement Class members and a proposed Claim Form that you may submit in order to share in the Settlement Fund proceeds; and**
- (3) Settlement Class Counsel's motion for an award of attorneys' fees and reimbursement of their litigation costs and expenses and incentive awards to the Class Representatives.**

This Notice provides information concerning the proposed settlements, the proposed plan of distribution, and the motion for attorneys' fees and litigation expenses and costs, and incentive awards. The Notice also advises you of your rights to: participate in the settlement claims process; exclude yourself from either or both of the Settlement Classes; and object to the terms of the proposed settlements, the plan of distribution, and the requests for fees and costs and incentive awards in connection with the Court hearing on these matters.

BACKGROUND

You were previously notified of the existence of this class action, the nature of the Plaintiffs' claims, and settlements with Autoliv Inc.; Autoliv ASP, Inc.; Autoliv B.V. & Co. KG; Autoliv Safety Technology, Inc.; and Autoliv Japan Ltd. (collectively, "Autoliv"), in the amount of \$35,516,800, and with TRW Automotive Holdings Corp. and TRW Deutschland Holding GmbH (collectively, "TRW") in the amount of \$6,500,000. Those settlements were previously approved by the Court in Orders dated January 7, 2015, and July 24, 2015, respectively. An Order authorizing distribution of the Autoliv and TRW settlement funds was entered by the Court on April 18, 2017, and checks were sent to approved claimants on May 23, 2017.

Plaintiffs have reached settlements with the Toyota Gosei Defendants for \$34,000,000 and with the Tokai Rika Defendants for \$4,000,000. When added to the Autoliv and TRW settlements, this brings the total settlements in this case to \$80,016,800, plus accruing interest. As described below in more detail, the amounts of the Toyota Gosei and Tokai Rika settlements, in the total amount of \$38,000,000 (the "Toyota Gosei and Tokai Rika Settlement Fund"), are subject to possible reduction, and/or rescission, in the event of valid requests for exclusion by Settlement Class members.

This litigation is part of coordinated legal proceedings involving a number of parts used in motor vehicles. This litigation and the proposed settlements relate solely to Occupant Safety Systems purchased in the United States **directly** from a Defendant or any co-conspirator of a Defendant. "Occupant Safety Systems," for purposes of the settlement, are seat belts, airbags, steering wheels or steering systems, safety electronic systems, and related parts and components. These proceedings do not relate to, and have no effect upon, cases involving any other product.

If you purchased Occupant Safety Systems in the United States directly from a Defendant or any co-conspirator of a Defendant during the period from January 1, 2003 through February 25, 2015 (the "Class Period"), you are a member of the Toyota Gosei and/or Tokai Rika Settlement Classes and have the rights and options summarized here:

- You may remain in either or both of the Toyota Gosei or Tokai Rika Settlement Classes and be eligible to share in the proceeds of, and be bound by the terms of, any settlement in which you remain;
- You may exclude yourself from either or both of the Toyota Gosei or Tokai Rika Settlement Classes, in which case you will **not** be bound by any settlement from which you exclude yourself and will **not** be able to share in the proceeds of that settlement;
- If you remain in either the Toyota Gosei or Tokai Rika Settlement Classes, you may object to that proposed settlement, to the proposed plan of distribution of the Toyota Gosei and Tokai Rika Settlement Fund, or to Settlement Class Counsel's request for an award of attorneys' fees and litigation costs and expenses and for incentive payments to the Class Representatives. You may also appear at the hearing where the Court will consider these matters;
- You may enter an appearance in the litigation through your own counsel at your own expense; and
- Any Settlement Class member who wishes to participate in the distribution of the Toyota Gosei and Tokai Rika Settlement Fund may either rely on a valid Claim Form that it previously submitted in connection with the prior settlements in this litigation or may instead submit a Claim Form that would relate only to the Toyota Gosei and Tokai Rika settlements. Any Settlement Class member that chooses the latter option must complete and submit a copy of the attached Claim Form, **postmarked no later than August 17, 2018**.

WHO IS IN THE TOYODA GOSEI AND TOKAI RIKA SETTLEMENT CLASSES?

The Court has provisionally certified a Direct Purchaser Toyota Gosei Settlement Class (the "Toyota Gosei Settlement Class") and a Direct Purchaser Tokai Rika Settlement Class (the "Tokai Rika Settlement Class") for the purpose of disseminating notice of the proposed Toyota Gosei and Tokai Rika settlements.

The Toyota Gosei Settlement Class is defined as follows:

All individuals and entities (excluding Defendants and their present and former parents, subsidiaries, and affiliates) who purchased Occupant Safety Systems in the United States directly from one or more Defendants from January 1, 2003 through February 25, 2015.

The Tokai Rika Settlement Class is defined as follows:

All individuals and entities who purchased Occupant Safety Systems in the United States directly from one or more Defendants or their co-conspirators (or their controlled subsidiaries, affiliates, or joint ventures) from January 1, 2003 through February 25, 2015. Excluded from the Settlement Class are Defendants, their present and former parent companies, subsidiaries, and affiliates, federal governmental entities and instrumentalities of the federal government, and states and their subdivisions, agencies and instrumentalities.

For purposes of the Toyoda Gosei and Tokai Rika Settlement Class definitions set forth above, the following entities are Defendants: Autoliv, Inc.; Autoliv ASP, Inc.; Autoliv Safety Technology, Inc.; Autoliv B.V. & Co. KG; Autoliv Japan Ltd.; Takata Corporation; TK Holdings, Inc.; Tokai Rika Co., Ltd.; TRAM, Inc. d/b/a Tokai Rika U.S.A. Inc.; Toyoda Gosei Co., Ltd.; Toyoda Gosei North America Corp.; TG Missouri Corp.; TRW Automotive Holdings Corporation; and TRW Deutschland Holding GmbH.

Plaintiffs Beam's Industries, Inc.; Findlay Industries, Inc.; and NM Holdings Company, LLC have been appointed by the Court to serve as "Class Representatives" for the Tokai Rika and Toyoda Gosei Settlement Classes. The Court has appointed the law firms of Freed Kanner London & Millen LLC; Kohn, Swift & Graf, P.C.; Preti, Flaherty, Beliveau & Pachios LLP; and Spector Roseman & Kodroff, P.C. to serve as "Settlement Class Counsel" for the Settlement Classes.

WHAT IS THIS LITIGATION ABOUT?

In 2012, class action lawsuits were filed against Defendants by Plaintiffs, on behalf of direct purchasers of Occupant Safety Systems. Plaintiffs allege that Defendants entered into a conspiracy to suppress and eliminate competition for Occupant Safety Systems by agreeing to fix, maintain, or stabilize prices, rig bids, and allocate the supply of Occupant Safety Systems, in violation of federal antitrust laws. Plaintiffs further allege that as a result of the conspiracy, they and other direct purchasers of Occupant Safety Systems have been injured by paying more for those products than they would have paid in the absence of the alleged illegal conduct, and they seek recovery of treble damages, together with reimbursement of costs and an award of attorneys' fees.

Toyoda Gosei, Tokai Rika, and the other Defendants have denied Plaintiffs' allegations and liability and have asserted defenses to Direct Purchaser Plaintiffs' claims. The Court has not issued any findings or rulings with respect to the merits of Plaintiffs' claims or Defendants' defenses. This is a partial settlement of the claims in the complaint, as it is with Toyoda Gosei and Tokai Rika only.

WHAT RELIEF DOES THE PROPOSED SETTLEMENT PROVIDE?

Plaintiffs, on behalf of the Toyoda Gosei Settlement Class, have entered into a settlement with Toyoda Gosei dated November 14, 2017 (the "Toyoda Gosei Settlement Agreement"), under which Toyoda Gosei has agreed to pay \$34,000,000. The Toyoda Gosei Settlement Agreement gives Toyoda Gosei the right to reduce its settlement payment, but in no event to an amount less than \$14,250,000, based upon the amount of valid requests for exclusion by members of the Toyoda Gosei Settlement Class. Toyoda Gosei has also agreed to cooperate with Plaintiffs in the continuing prosecution of the Takata Defendants, who are the only remaining non-settling Defendants.

Plaintiffs, on behalf of the Tokai Rika Settlement Class, have entered into a settlement agreement with Tokai Rika dated January 29, 2018 (the "Tokai Rika Settlement Agreement"), under which Tokai Rika has agreed to pay \$4,000,000. The Tokai Rika Settlement Agreement gives Tokai Rika and the Plaintiffs the right to terminate the settlement based upon the number of Tokai Rika Settlement Class members that request exclusion. Pursuant to the settlement, Tokai Rika has also agreed to cooperate with Plaintiffs.

This Notice is only a summary of the terms of the proposed settlements. The Toyoda Gosei Settlement Agreement and Tokai Rika Settlement Agreement contain other important provisions, including the release of certain claims against Toyoda Gosei and Tokai Rika (and companies and people affiliated with them). For the complete terms of the settlements, you are referred to the agreements, which are on file with the Clerk of Court and are available on-line at www.autopartsantitrustlitigation.com. The proposed settlements must receive final approval by the Court in order to become effective.

If you wish to object to approval of either of the settlements, you may do so, but only in accordance with the procedures set forth below. If you do not object to a settlement, you do not need take any action at this time to indicate your support for, or lack of objection to, that settlement.

HOW DO I REMAIN IN THE SETTLEMENT CLASSES, WHAT HAPPENS IF I DO, AND HOW DO I FILE A CLAIM FORM?

You were previously asked to decide whether you wanted to remain in the Autoliv and TRW Settlement Classes. With respect to each of those Settlement Classes, you are bound by whatever decision you previously made.

If you are a member of the Toyoda Gosei Settlement Class or the Tokai Rika Settlement Class, as defined above, you will automatically remain a member of that Settlement Class unless you elect to be excluded. If you wish to remain in a Settlement Class, you do not need to take any action at this time with respect to that Class, and your interests will be represented by the Class Representatives and by Settlement Class Counsel. If you remain in a Settlement Class, you will be eligible to share in the proceeds of that settlement. If you submitted a valid Claim Form in connection with the Autoliv and TRW settlements, you may submit a Claim Form at this time, but are not required to do so because the information from your original Claim Form will be used to determine the amount of your share of the Toyoda Gosei and Tokai Rika Settlement Fund. If you believe you have additional information that you did not include in your previously submitted Claim Form, you may submit a Claim Form with that additional information. If you did not previously submit a valid Claim Form in connection with the Autoliv and TRW settlements and would like to share in the proceeds of the Toyoda Gosei and Tokai Rika Settlement Fund, or if you wish to submit additional information, then you **must** submit a Claim Form **postmarked by August 17, 2018**. Any Settlement Class member that did not previously submit a valid Claim Form or does not complete and timely submit a valid and timely Claim Form at this time will not be entitled to share in the Toyoda Gosei and Tokai Rika settlement proceeds.

If you remain in either the Toyoda Gosei Settlement Class or the Tokai Rika Settlement Class and the proposed settlement with that Defendant is approved and becomes effective, you will be bound by its terms, including the release provisions, whether or not you receive a share of the settlement proceeds attributable to that settlement.

HOW WILL THE SETTLEMENT FUNDS BE DISTRIBUTED?

The Toyoda Gosei and Tokai Rika Settlement Fund, with accrued interest, less any amounts approved by the Court for payment of attorneys' fees, litigation and administration costs and expenses, and incentive awards for the Class Representatives, and less any reductions based upon valid requests for exclusion by members of the Toyoda Gosei or Tokai Rika Settlement Class (the "Net Toyoda Gosei and Tokai Rika Settlement Fund"), will be distributed among the members of the Settlement Classes who have either (1) previously submitted a valid Claim Form in connection with the Autoliv and TRW settlements and have not elected to exclude themselves from the Toyoda Gosei and Tokai Rika Settlement Classes or (2) completed and timely submitted a valid and timely Claim Form postmarked by August 17, 2018. The Net Toyoda Gosei and Tokai Rika Settlement Fund will be distributed *pro rata* to all Claimants based upon their **direct** purchases in the United States from Defendants or their co-conspirators from January 1, 2003 through February 25, 2015. The distribution will take place as soon as practicable after review, determination, and audit of the Claim Forms by the Settlement Administrator and approval by the Court of the Settlement Administrator's recommendations as to the amounts to be paid to the Claimants.

Please do not dispose of any document that reflects any payments for your direct purchases of Occupant Safety Systems in the United States from any Defendant or any co-conspirator of a Defendant (or their controlled subsidiaries, affiliates, or joint ventures) during the period from January 1, 2003 through February 25, 2015. You may need those documents to complete and substantiate your Claim Form, which will be subject to inquiry and verification.

WHAT IF I DO NOT WANT TO REMAIN IN A SETTLEMENT CLASS?

You may exclude yourself from either or both Settlement Classes. If you wish to exclude yourself from either or both of the Toyoda Gosei and Tokai Rika Settlement Classes, you must send a request for exclusion, in writing, by certified mail, return receipt requested, **postmarked no later than July 11, 2018**, to Settlement Class Counsel and to counsel for the Settling Defendants at the addresses set forth below, and to the following address:

Occupant Safety Systems Direct Purchaser Antitrust Litigation
P.O. Box 5110
Portland, OR 97208-5110

Your request for exclusion must identify the Settlement Class or Classes from which you are seeking exclusion and must include the full name and address of the purchaser (including any predecessor or successor entities and any trade names). You are also requested to identify the Defendant(s) from which you purchased Occupant Safety Systems during the Class Period, the Occupant Safety Systems purchased during the Class Period, and the dollar

amount of your purchases. If you validly exclude yourself from either or both of the Toyoda Gosei and Tokai Rika Settlement Classes, you will not be bound by any decision concerning the Settlement Class or Classes from which you exclude yourself and you may pursue individually any claims you may have against the Defendants in the Class from which you requested exclusion (at your own expense), but you will not be eligible to share in the settlement proceeds attributable to those Defendants. Any potential Settlement Class Member who requests exclusion from the Toyoda Gosei or Tokai Rika Settlement Class shall not be precluded, restricted, barred, or limited in any way from participating in any future settlements relating to other Defendants in the Action.

REQUEST FOR ATTORNEYS' FEES AND EXPENSES, AND INCENTIVE AWARDS

The Court has appointed the law firms identified above as Settlement Class Counsel. These law firms, together with other firms that have worked on this litigation, will file a petition for an award of attorneys' fees and reimbursement of their costs and expenses incurred in prosecuting the case. The request of Settlement Class Counsel for attorneys' fees will not exceed 30 percent of the Toyoda Gosei and Tokai Rika Settlement Fund. Settlement Class Counsel will also request incentive awards for the Class Representatives in the amount of \$30,000 each.

The application for attorneys' fees and litigation costs and expenses and incentive awards will be filed on or before June 18, 2018. If you remain a member of either the Toyoda Gosei Settlement Class or the Tokai Rika Settlement Class and you wish to object to the requests for fees and expenses or incentive payments, you must do so in writing in accordance with the procedures for objections set forth below. If you do not oppose any of these requests, you do not need to take any action in that regard.

WHEN WILL THE COURT CONSIDER THESE MATTERS, AND HOW CAN I TELL THE COURT WHAT I THINK?

The Court will hold a hearing on September 26, 2018, at 3:00 p.m., at the Theodore Levin United States Courthouse, 231 West Lafayette Boulevard, Detroit, MI 48226, Courtroom 272, to determine whether to approve: the proposed Toyoda Gosei settlement, the proposed Tokai Rika settlement, the proposed plan of distribution of the Toyoda Gosei and Tokai Rika Settlement Fund, and Settlement Class Counsel's requests for an award of attorneys' fees and litigation expenses and incentive awards. The hearing may be rescheduled or continued without further notice to you.

If you remain a member of either the Toyoda Gosei or Tokai Rika Settlement Class and you wish to object to that proposed settlement, or to the proposed plan of distribution of the Toyoda Gosei and Tokai Rika Settlement Fund, or to Settlement Class Counsel's requests for an award of attorneys' fees and litigation expenses and incentive awards, you must do so in writing and at your own expense. Any such objection must include the caption of this litigation, must be signed, and be **filed no later than July 11, 2018**, with the Clerk of Court, United States District Court for the Eastern District of Michigan, Southern Division, Theodore Levin United States Courthouse, 231 West Lafayette Boulevard, Detroit, MI 48226, and mailed to the following counsel, **postmarked no later than July 11, 2018**:

Gregory P. Hansel
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Co-Lead Counsel for the Direct Purchaser Settlement Class

<p>Randall J. Turk John Taladay Mark Miller Heather Souder Choi BAKER BOTTS L.L.P. The Warner 1299 Pennsylvania Ave., N.W. Washington D.C. 20004-2400 Telephone: (202) 639-7909</p> <p><i>Counsel for the Toyoda Gosei Defendants</i></p>	<p>W. Todd Miller BAKER & MILLER PLLC 2401 Pennsylvania Ave., NW Suite 300 Washington, D.C. 20037 Telephone: (202) 663-7820</p> <p><i>Counsel for the Tokai Rika Defendants</i></p>
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If you do not object to either of the proposed settlements, or related matters set forth above, you do not need to appear at the hearing or take any other action at this time. **Unless you previously submitted a valid Claim Form in connection with the Autoliv and TRW settlements, you must, however, complete and timely submit a Claim Form if you wish to share in the distribution of the Toyoda Gosei and Tokai Rika Settlement Fund.**

WHAT SHOULD I DO IF I WANT ADDITIONAL INFORMATION OR IF MY ADDRESS CHANGES

If this Notice reached you at an address other than the one on the mailing label, or if your address changes, please send your correct address to Occupant Safety Systems Direct Purchaser Antitrust Litigation, P.O. Box 5110, Portland, OR 97208-5110.

The Settlement Agreements, Complaint, and other public documents filed in this litigation are available for review during normal business hours at the offices of the Clerk of Court, United States District Court for the Eastern District of Michigan, Southern Division, Theodore Levin United States Courthouse, 231 West Lafayette Boulevard, Detroit, MI 48226. Copies of the Settlement Agreements and certain other documents relevant to this litigation are available at www.autopartsantitrustlitigation.com. In addition, all documents filed in the case may be obtained through the Public Access to Court Electronic Records system, after registration and payment of the required fees. Questions concerning the proposed Toyoda Gosei and Tokai Rika settlements, this Notice, or the litigation may be directed to any of the Settlement Class Counsel identified above.

Please do not contact the Clerk of the Court or the Judge.

Dated: May 16, 2018

BY ORDER OF:

The United States District Court for the Eastern District of Michigan, Southern Division