

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

**In Re: AUTOMOTIVE PARTS  
ANTITRUST LITIGATION**

**Case No. 12-md-02311  
Honorable Marianne O. Battani**

**In Re: SMALL BEARINGS CASES**

**THIS DOCUMENT RELATES TO:  
ALL DIRECT PURCHASER ACTIONS**

**2:17-cv-04201-MOB-MKM  
2:17-cv-10853-MOB-MKM**

**NOTICE OF PROPOSED SETTLEMENT OF DIRECT  
PURCHASER CLASS ACTION WITH MINEBEA  
DEFENDANTS AND HEARING ON SETTLEMENT APPROVAL**

**TO:** ALL INDIVIDUALS AND ENTITIES WHO PURCHASED SMALL BEARINGS IN THE UNITED STATES DIRECTLY FROM A DEFENDANT DURING THE PERIOD FROM JUNE 1, 2003, THROUGH FEBRUARY 15, 2017.

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 proposed settlement with Defendants MINEBEA MITSUMI Inc., NMB (USA), Inc., and NMB Technologies Corporation (collectively, "Minebea"). Under the terms of the proposed settlement, Minebea has made a payment in the amount of \$9,750,000 (the "Minebea Settlement Fund"), and will provide cooperation to assist Plaintiff in the prosecution of the claims against the Defendants in a related action.

This litigation is part of coordinated legal proceedings involving a number of parts used in motor vehicles and other products. The litigation, and the proposed settlement, relate solely to Small Bearings purchased **directly** from a Defendant. These proceedings do not relate to, and have no effect upon, cases involving any other product or purchaser.

For purposes of the proposed settlement, "Small Bearings" refers to bearings whose outer diameter is 30 millimeters or less. Small Bearings are used in numerous applications, including but not limited to the following automotive applications: air conditioning compressors, alternators, anti-lock braking systems, cooling fans, fuel pumps, motors for electric control systems, starters, steering systems, transmissions, water pumps, wheels, and windshield wiper motors.

If you purchased Small Bearings in the United States directly from any of the Defendants identified below during the period from June 1, 2003, through February 15, 2017 (the "Class Period"), you are a member of the Minebea Settlement Class and have the rights and options summarized here:

- You may remain in the Minebea Settlement Class and be eligible to share in the Minebea Settlement Fund under a claims procedure that will be instituted in the future;
- You may exclude yourself from the Minebea Settlement Class, in which case you will **not** be bound by the settlement and will **not** be eligible to share in the Minebea Settlement Fund;

- If you do not exclude yourself from the Minebea Settlement Class, you may object in writing to the proposed settlement or to the request for an award of attorneys' fees and reimbursement of litigation costs and expenses, and appear at the hearing where the Court will determine whether the proposed settlement should be approved as fair, adequate and reasonable, and whether a portion of the Minebea Settlement Fund may be used to pay for attorneys' fees and reimbursement of litigation costs and expenses; and
- You may enter an appearance in the litigation through your own counsel at your own expense.

You do **not** need to take any action at this time if you wish to remain in the Minebea Settlement Class. You should retain all of your records of Small Bearings purchases for use in the claims procedure that will be instituted at a later date.

## WHO IS IN THE SETTLEMENT CLASS?

On May 23, 2017, the Court certified a Direct Purchaser Minebea Settlement Class for purposes of disseminating notice of the proposed settlement, defined as follows:

All individuals and entities (excluding any Defendants and their present and former parents, subsidiaries and affiliates) that purchased Small Bearings in the United States directly from one or more Defendants from June 1, 2003 through February 15, 2017.

For purposes of this Minebea Settlement Class definition, the following entities are Defendants: MINEBEA MITSUMI Inc.; NMB (USA), Inc.; NMB Technologies Corporation; NSK Ltd.; NSK Americas, Inc.; and NSK Corporation.

Plaintiff McGuire Bearing Company has been appointed by the Court to serve as the Class Representative for the Minebea Settlement Class. The Court has appointed the law firms of Freed Kanner London & Millen LLC; Kohn, Swift & Graf, P.C.; Preti, Flaherty, Beliveau & Pachios LLP; Spector Roseman & Kodroff, P.C.; Cera LLP; and Cohen Milstein Sellers & Toll PLLC to serve as Settlement Class Counsel for the Minebea Settlement Class.

## WHAT IS THIS LITIGATION ABOUT?

In 2015, a class action lawsuit was filed on behalf of direct purchasers of Small Bearings against Defendants NSK Ltd., NSK Americas, Inc., and NSK Corporation (the "NSK Defendants") (the "NSK Action"). In March 2017, Plaintiff McGuire Bearing Company filed a class action complaint alleging that Minebea conspired with the NSK Defendants to suppress and eliminate competition for Small Bearings by agreeing to raise, fix, maintain, and stabilize prices, and to allocate markets and customers, for Small Bearings sold in the United States, in violation of federal antitrust laws. Plaintiff further alleges that as a result of the conspiracy, it and other direct purchasers of Small Bearings have been injured by paying more for those products than they would have paid in the absence of the alleged illegal conduct. Plaintiff seeks recovery of treble damages, together with reimbursement of litigation costs and expenses and an award of attorneys' fees.

Minebea denies Plaintiff's allegations, and has agreed to settle this matter in order to avoid the expense and burden of further litigation. The Court has not issued any findings or rulings with respect to the merits of Plaintiff's claims or Minebea's defenses. This is a settlement with Minebea only. The litigation against the NSK Defendants will continue.

## WHAT RELIEF DOES THE PROPOSED SETTLEMENT PROVIDE?

Plaintiff, on behalf of the Minebea Settlement Class, has entered into a settlement agreement with Minebea dated February 15, 2017, in which Minebea has agreed to pay \$9,750,000 into an escrow account. The Settlement Agreement gives Minebea the right to withdraw from the settlement based upon valid and timely requests for exclusion by members of the Minebea Settlement Class if such requests for exclusion exceed a specified threshold.

Minebea has also agreed to cooperate with Plaintiff in the prosecution of the lawsuit against the NSK Defendants, by providing the following cooperation: (a) production of documents, data, and other information potentially relevant to Direct Purchaser Plaintiff's claims; (b) assistance in understanding information produced to Direct Purchaser Plaintiff and using such information at trial; (c) meetings between Settlement Class Counsel and Minebea's attorneys, to provide proffers of information relevant to the NSK Action; (d) witness interviews; (e) depositions; and (f) trial testimony.

Settlement Class Counsel agreed to the proposed settlement to ensure a fair and reasonable resolution of Plaintiff's claims, and to provide benefits to the members of the Minebea Settlement Class, while recognizing the existence of complex, contested issues of law and fact, the risks inherent in such complex litigation (including the risk of no recovery), and the likelihood that without a settlement, future proceedings would take several years and be extremely costly. Settlement Class Counsel believe that it is in the best interests of the Minebea Settlement Class to enter into the proposed settlement and resolve this litigation as to Minebea.

This Notice is only a summary of the terms of the proposed settlement. The Settlement Agreement contains other important provisions, including the release of certain claims against Minebea. A copy of the Settlement Agreement is on file with the Clerk of Court and available online at [www.AutoPartsAntiTrustLitigation.com](http://www.AutoPartsAntiTrustLitigation.com). The proposed settlement must receive final approval by the Court in order to become effective.

If you are a member of the Minebea Settlement Class and the proposed settlement is approved and becomes effective, you will be bound by its terms, including the release provisions. If you wish to object to approval of the Minebea settlement, you may do so, but only in accordance with the procedures set forth below. If you do not object to the Minebea settlement, you do not need to take any action at this time to indicate your support for, or lack of objection to, the settlement.

## HOW DO I REMAIN IN THE SETTLEMENT CLASS AND WHAT HAPPENS IF I DO?

If you are a member of the Minebea Settlement Class, you will automatically remain in the Class unless you elect to be excluded. If you wish to remain in the Class, you do not need to take any action at this time; your interests will be represented by the Class Representative and by Settlement Class Counsel. You will have no responsibility to individually pay attorneys' fees or expenses. Any attorneys' fees and expenses will be paid solely from the Minebea Settlement Fund and must be approved by the Court. If you choose, you may also have your own attorney enter an appearance on your behalf and at your expense.

If you remain in the Minebea Settlement Class and a final judgment order dismissing Minebea from the litigation becomes final and unappealable, you will be bound by that judgment.

As a member of the Minebea Settlement Class, you will be eligible to share in the Minebea Settlement Fund pursuant to a claims procedure that will begin at a later date. Settlement Class Counsel are not presently asking the Court to distribute any Minebea Settlement Fund proceeds. If you remain a member of the Minebea Settlement Class, you will receive additional notice at a later date and you will have an opportunity to object to and be heard in connection with the proposed plan of distribution at that time.

**Do not dispose of any document that reflects your purchases of Small Bearings in the United States directly from any Defendant during the period from June 1, 2003, through February 15, 2017. You may need those documents to complete a claim form in the future, which would be subject to inquiry and verification if the Minebea settlement is approved.**

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

If you wish to exclude yourself from the Minebea Settlement Class, you must send a request for exclusion, in writing, via certified mail, return receipt requested, **postmarked no later than January 8, 2018**, to Settlement Class Co-Lead Counsel and to counsel for Minebea, at the addresses set forth below, and to the following address:

Small Bearings Direct Purchaser Antitrust Litigation  
P.O. Box 3560  
Portland, OR 97208-3560

Your request for exclusion 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 Small Bearings during the Class Period, the type of Small Bearings purchased, and the dollar amount of those purchases. If you validly exclude yourself from the Minebea Settlement Class, you will not be bound by any decision concerning the Minebea settlement and you may individually pursue any claims you may have against Minebea at your own expense, but you will not be eligible to share in the Minebea Settlement Fund.

## HOW WILL SETTLEMENT CLASS COUNSEL BE PAID?

The Court has appointed the law firms identified above as Settlement Class Counsel. These law firms and the other Settlement Class Counsel will file a petition for an award of attorneys' fees and reimbursement of their out-of-pocket costs and expenses. The request of Settlement Class Counsel for attorneys' fees will not exceed 33 and 1/3 percent of the Minebea Settlement Fund.

The application for attorneys' fees and litigation costs and expenses will be filed on or before December 18, 2017. If you remain in the Minebea Settlement Class and you wish to object to the requests for attorneys' fees and litigation costs and expenses, you must do so in writing in accordance with the procedures for objections set forth below. If you do not oppose these requests, you do not need to take any action in that regard.

## WHEN WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT AND FEE REQUEST, AND HOW CAN I TELL THE COURT WHAT I THINK ABOUT THE SETTLEMENT AND FEES?

The Court will hold a hearing on February 28, 2018, at 1:00 p.m., at the Theodore Levin United States Courthouse, 231 West Lafayette Boulevard, Detroit, MI 48226, Courtroom 272, to determine whether the proposed Minebea settlement should be approved as fair, reasonable, and adequate. The Court will also consider at the hearing whether to approve Settlement Class Counsel's request for an award of attorneys' fees and litigation costs and expenses from the Minebea Settlement Fund. The hearing may be rescheduled without further notice to you.

If you do not exclude yourself from the Minebea Settlement Class and you wish to object to the Minebea settlement or to the request for an award of attorneys' fees and reimbursement of litigation costs and expenses, you must do so in writing. Your objection must include the caption of this litigation, must be signed, and be **filed no later than January 8, 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 January 8, 2018**:

Steven A. Kanner  
FREED KANNER LONDON  
& MILLEN LLC  
2201 Waukegan Road, Suite 130  
Bannockburn, IL 60015  
Telephone: (224) 632-4500

Joseph C. Kohn  
KOHN, SWIFT & GRAF, P.C.  
One South Broad Street, Suite 2100  
Philadelphia, PA 19107  
Telephone: (215) 238-1700

Gregory P. Hansel  
PRETI, FLAHERTY, BELIVEAU  
& PACHIOS LLP  
One City Center, P.O. Box 9546  
Portland, ME 04112-9546  
Telephone: (207) 791-3000

Eugene A. Spector  
SPECTOR ROSEMAN & KODROFF, P.C.  
1818 Market Street, Suite 2500  
Philadelphia, PA 19103  
Telephone: (215) 496-0300

### *Co-Lead Counsel for the Direct Purchaser Minebea Settlement Class*

James L. Cooper  
ARNOLD & PORTER KAYE SCHOLER LLP  
601 Massachusetts Avenue, NW  
Washington, DC 20014-3743  
Telephone: (202) 942-5014

### *Counsel for the Minebea Defendants*

If you do not object to the proposed Minebea settlement or to the request for an award of attorneys' fees and reimbursement of litigation costs and expenses, you do not need to appear at the hearing or take any other action at this time.

**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 the address below.

Small Bearings Direct Purchaser Antitrust Litigation  
P.O. Box 3560  
Portland, OR 97208-3560

The Settlement Agreement, 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, and through the Court's Public Access to Court Electronic Records (PACER) system after registration and payment of a modest fee. Copies of the Settlement Agreement and certain other documents relevant to this litigation are available at [www.AutoPartsAntiTrustLitigation.com](http://www.AutoPartsAntiTrustLitigation.com). Questions concerning the proposed settlement, 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: November 14, 2017

BY ORDER OF:

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