

EXECUTION COPY

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

IN RE: AUTOMOTIVE PARTS ANTITRUST  
LITIGATION

Master File No. 12-md-02311

In re: Bearings

Hon. Marianne O. Battani

2:12-cv-00502-MOB-MKM

THIS RELATES TO:

Automobile Dealership Actions

**SETTLEMENT AGREEMENT**

This Settlement Agreement (“Agreement”) is made and entered into this 10th day of August 2016 (“Execution Date”) by and between Schaeffler Group USA Inc. (“Schaeffler”), and Automobile Dealership Plaintiff Class Representatives (“Automobile Dealership Plaintiffs”), both individually and on behalf of a class of indirect purchasers of Automotive Bearings (the “Settlement Class”), as more particularly defined in Paragraph 12 below.

WHEREAS, Automobile Dealership Plaintiffs are prosecuting the above *In Re Automotive Parts Antitrust Litigation*, Master File No. 12-md-02311 (E.D. Mich.) (the “MDL Litigation”) and Case No. 2:12-cv-00502 (the “Action”) on their own behalf and on behalf of the Settlement Class;

WHEREAS, Automobile Dealership Plaintiffs allege that they were injured as a result of Schaeffler’s participation in an unlawful conspiracy to raise, fix, maintain, and/or stabilize prices, rig bids, and allocate markets and customers for Automotive Bearings (as defined in Paragraph 7 below) in violation of Section 1 of the Sherman Act and various state

antitrust, unfair competition, unjust enrichment, and consumer protection laws as set forth in Automobile Dealership Plaintiffs' Second Consolidated Amended Class Action Complaint in the Action (the "Complaint");

WHEREAS, Schaeffler denies Automobile Dealership Plaintiffs' allegations and has asserted defenses to Automobile Dealership Plaintiffs' claims in the Action;

WHEREAS, arm's-length settlement negotiations have taken place between Settlement Class Counsel (as defined below) and counsel for Schaeffler and this Agreement has been reached as a result of those negotiations;

WHEREAS, Automobile Dealership Plaintiffs, through Settlement Class Counsel, have conducted an investigation into the facts and the law regarding the Action and have concluded that resolving the claims against Schaeffler, according to the terms set forth below, is in the best interests of Automobile Dealership Plaintiffs and the Settlement Class because of the payment of the Settlement Amount and the value of the Injunctive Relief and Cooperation (as those terms are defined below) that Schaeffler has agreed to provide pursuant to this Agreement;

WHEREAS, Schaeffler, despite its belief that it is not liable for the claims asserted and its belief that it has good defenses thereto, has nevertheless agreed to enter into this Agreement to avoid further expense, inconvenience, and the distraction of burdensome and protracted litigation, and to obtain the releases, orders, and judgment contemplated by this Agreement, and to put to rest with finality all claims that have been or could have been asserted against Schaeffler with respect to Automotive Bearings based on the allegations in the Action, as more particularly set out below.

WHEREAS, Automobile Dealership Plaintiffs recognize the benefits of Schaeffler's Cooperation and Injunctive Relief and recognize that because of joint and several liability, this Agreement with Schaeffler does not impair Automobile Dealership Plaintiffs' ability to collect the full amount of damages to which they and the Settlement Class may be entitled in the Action, including any damages attributable to Schaeffler's alleged conduct

NOW, THEREFORE, in consideration of the covenants, agreements, and releases set forth herein and for other good and valuable consideration, it is agreed by and among the undersigned that the Action be settled, compromised, and dismissed on the merits with prejudice as to the Releasees and except as hereinafter provided, without costs as to Automobile Dealership Plaintiffs, the Settlement Class, or Schaeffler, subject to the approval of the Court, on the following terms and conditions:

A. Definitions.

1. "Automobile Dealership Plaintiff Class Representatives" means those Settlement Class Members, as defined in Paragraph 14, below, who are named plaintiffs in the Complaint.
2. "Cooperation" shall refer to those provisions set forth below in Section F of this Agreement.
3. "Cooperation Materials" means any information, testimony, Documents (as defined below) or other material provided to Automobile Dealership Plaintiffs pursuant to Section F of this Agreement.
4. "Defendant" means any party named as a defendant in the Action at any time up to and including the date when the Court has entered a final order certifying the Settlement Class described in Paragraph 12 and approving this Agreement under Federal Rule of Civil Procedure ("Rule") 23(e).

5. “Document” is defined to be synonymous in meaning and equal in scope to the usage of this term in Rule 34(a) of the Federal Rules of Civil Procedure, including without limitation, electronically stored information. A draft or non-identical copy is a separate document within the meaning of this term.

6. “Indirect Purchaser States” means Arizona, Arkansas, California, District of Columbia, Florida, Hawaii, Illinois, Iowa, Kansas, Maine, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nebraska, Nevada, New Hampshire, New Mexico, New York, North Carolina, North Dakota, Oregon, South Carolina, South Dakota, Tennessee, Utah, Vermont, West Virginia, and Wisconsin.

7. “Automotive Bearings” shall have the meaning set forth in Paragraph 2 of the Complaint.

8. “Opt-Out Deadline” means the deadline set by the Court for the timely submission of requests by Settlement Class Members to be excluded from the Settlement Class.

9. “Released Claims” means the Claims described in Paragraphs 24-25.

10. “Releasees” shall refer to (i) Schaeffler; and (ii) all of Schaeffler’s past and present, direct and indirect, parents, subsidiary companies and affiliates, including their respective predecessors, successors and assigns (including, for avoidance of doubt, Schaeffler AG, Schaeffler Technologies AG & Co. KG, and FAG Kugelfischer GmbH), and (iii) each and all of the present and former principals, partners, officers, directors, supervisors, employees, agents, stockholders, members, representatives, insurers, attorneys, heirs, executors, administrators, and assigns of each of the persons and each of the persons and entities listed in (i) and (ii). “Releasees” does not include any defendant in the MDL Litigation other than Schaeffler and its related entities and individuals as defined in this Paragraph.

11. "Releasers" shall refer to Automobile Dealership Plaintiffs Class Representatives and the members of the Settlement Class, as defined in Paragraph 14, below, and to their past and present officers, directors, supervisors, employees, agents, stockholders, members, attorneys, servants, representatives, parents, subsidiaries, affiliates, principals, partners, insurers and all other persons, partnerships or corporations with whom any of the former have been, or are now, affiliated, and the predecessors, successors, heirs, executors, administrators and assigns of any of the foregoing.

12. For purposes of this Agreement, the "Settlement Class" is defined as:

All automobile dealers that, during the period January 1, 2000, through the Execution Date: (1) purchased new Vehicles that included one or more Automotive Bearings as a component part, which were manufactured or sold by a Defendant, any current or former parent, subsidiary, or affiliate of a Defendant, or any co-conspirator of the Defendants, or (2) indirectly purchased one or more Automotive Bearings, which were manufactured or sold by a Defendant, any current or former parent, subsidiary, or affiliate of a Defendant or any co-conspirator of the Defendants. Excluded from the Settlement Class are Defendants, their parent companies, subsidiaries and affiliates, any co-conspirators, federal government entities and instrumentalities of the federal government, and states and their subdivisions, agencies and instrumentalities.

13. "Settlement Class Counsel" shall refer to the law firms of:

Barrett Law Group, P.A.  
P.O. Box 927  
404 Court Square  
Lexington, MS 39095

Cuneo Gilbert & LaDuca, LLP  
507 C Street, N.E.  
Washington, DC 20002

Larson King, LLP  
2800 Wells Fargo Place  
30 East Seventh Street  
St. Paul, MN 55101

14. "Settlement Class Member" means each member of the Settlement Class who has not timely elected to be excluded from the Settlement Class.

15. "Settlement Amount" shall be \$2,400,000, and the "Settlement Fund" shall mean the amount on deposit from time to time in the Escrow Account as set forth in Paragraph 27, which shall initially consist of the Settlement Amount and shall include any income or interest accrued or earned on that amount.

16. "Vehicles" shall refer to four-wheeled passenger automobiles, vans, sports utility vehicles, and crossover or pick-up trucks.

B. Approval of this Agreement and Dismissal of Claims Against Schaeffler.

18. Automobile Dealership Plaintiffs and Schaeffler shall use their best efforts to effectuate this Agreement, including cooperating in seeking the Court's approval for the establishment of procedures (including the giving of class notice under Rule 23(c) and (e)) to secure the complete, and final dismissal with prejudice of the Action as to the Releasees only.

19. After reasonable notice to, and review by Schaeffler, and promptly after execution of this Agreement, Automobile Dealership Plaintiffs shall submit to the Court a motion seeking preliminary approval of this Agreement (the "Preliminary Approval Motion"). The Preliminary Approval Motion shall include (i) the proposed form of an order preliminarily approving this Agreement, and (ii) a proposed form of order and final judgment that shall include at least the terms set forth in Paragraph 21 below. The text of the proposed orders shall be agreed upon by Automobile Dealership Plaintiffs and Schaeffler before submission of the Preliminary Approval Motion.

20. Automobile Dealership Plaintiffs shall, after reasonable notice to Schaeffler and at a time to be decided in Automobile Dealership Plaintiffs' sole discretion, submit to the Court a

motion for authorization to disseminate notice of the settlement and final judgment contemplated by this Agreement to all Settlement Class Members identified by Automobile Dealership Plaintiffs (the "Notice Motion"). To mitigate the costs of notice, Automobile Dealership Plaintiffs shall endeavor, if practicable, to disseminate notice of this settlement with notice of any other settlements reached. The Notice Motion shall include a proposed form of, method for, and date of dissemination of notice.

21. Automobile Dealership Plaintiffs shall seek at the earliest practicable time, and Schaeffler will not object unreasonably to, the entry of an order and final judgment in the Action, the text of which Automobile Dealership Plaintiffs and Schaeffler shall agree upon. The terms of that proposed order and final judgment will include, at a minimum, the substance of the following provisions:

(a) certifying the Settlement Class described in Paragraph 12, pursuant to Rule 23, solely for purposes of this settlement as a settlement class for the Action;

(b) as to the Action, approving finally this settlement and its terms as being a fair, reasonable and adequate settlement as to the Settlement Class Members within the meaning of Rule 23 and directing its consummation according to its terms;

(c) directing that all Releasers shall, by operation of law, be deemed to have released all Releasees from the Released Claims.

(d) as to Schaeffler, directing that the Action be dismissed with prejudice and, except as provided for in this Agreement, without costs;

(e) reserving exclusive jurisdiction over the settlement and this Agreement, including the interpretation, administration and consummation of this settlement, to the United States District Court for the Eastern District of Michigan;

(f) determining under Rule 54(b) that there is no just reason for delay and directing that the judgment of dismissal in the Action as to Schaeffler shall be final; and

(g) providing that (i) the Court's certification of the Settlement Class is without prejudice to, or waiver of, the rights of any Defendant, including Schaeffler, to contest certification of any other class proposed in the MDL Litigation, (ii) the Court's findings in the Order shall have no effect on the Court's ruling on any motion to certify any class in the MDL Litigation or on the Court's rulings concerning any Defendant's motion; and (iii) no party may cite or refer to the Court's approval of the Settlement Class as persuasive or binding authority with respect to any motion to certify any such class or any Defendant's motion.

22. This Agreement shall become final when (i) the Court has entered a final order certifying the Settlement Class described in Paragraph 12 and approving this Agreement under Rule 23(e) and has entered a final judgment dismissing the Action with prejudice as to Schaeffler and without costs other than those provided for in this Agreement, and (ii) the time for appeal or to seek permission to appeal from the Court's approval of this Agreement and entry of a final judgment as to Schaeffler described in (i) above has expired or, if appealed, approval of this Agreement and the final judgment in the Action as to Schaeffler has been affirmed in its entirety by the Court of last resort to which such appeal has been taken, and such affirmance has become no longer subject to further appeal or review, and no other motion or pleading is pending in any court. It is agreed that the provisions of Rule 60 shall not be taken into account in determining the above-stated times. On the date that Automobile Dealership Plaintiffs and Schaeffler have executed this Agreement, Automobile Dealership Plaintiffs and Schaeffler shall be bound by its terms and this Agreement shall not be rescinded except in accordance with Paragraphs 27(h) or 50 of this Agreement.



23. Neither this Agreement (whether or not it should become final) nor the final judgment, nor any and all negotiations, documents, or discussions associated with them (including Cooperation Materials produced pursuant to Paragraphs 35-49), shall be deemed or construed to be an admission by Schaeffler or any other Releasee, or evidence of any violation of any statute or law or of any liability or wrongdoing whatsoever by Schaeffler or any other Releasee, or of the truth of any of the claims or allegations contained in any complaint or any other pleading filed in the MDL Litigation, and evidence thereof shall not be discoverable or used in any way, directly or indirectly, whether in the MDL Litigation, or any other arbitration, action or proceeding whatsoever, against Schaeffler or any other Releasee. Nothing in this Paragraph shall prevent Automobile Dealership Plaintiffs from using and/or introducing into evidence Cooperation Materials produced pursuant to Paragraphs 35-49, subject to the limitations in those paragraphs, against any other defendants in the MDL Litigation or to develop and promulgate a plan of allocation and distribution. Neither this Agreement, nor any of its terms and provisions, nor any of the negotiations or proceedings connected with it, nor any other action taken to carry out this Agreement by Schaeffler or any other Releasee, shall be referred to, offered as evidence or received in evidence in any pending or future civil, criminal, or administrative action, arbitration, or proceedings, except in a proceeding to enforce this Agreement, or to defend against the assertion of Released Claims, or as otherwise required by law.

C. Release, Discharge, and Covenant Not to Sue.

24. In addition to the effect of any final judgment entered in accordance with this Agreement, upon this Agreement becoming final, as set out in Paragraph 22 of this Agreement, and in consideration of payment of the Settlement Amount, as specified in Paragraph 26 of this

Agreement, into the Settlement Fund, the Cooperation provided pursuant to Section F of this Agreement, and for other valuable consideration, the Releasees shall be completely released, acquitted, and forever discharged from any and all claims, demands, actions, suits, causes of action, whether class, individual, or otherwise in nature (whether or not any Settlement Class Member has objected to the settlement or makes a claim upon or participates in the Settlement Fund, whether directly, representatively, derivatively or in any other capacity) under any federal, state, or local law of any jurisdiction in the United States that Releasers, or any of them, ever had, now has, or hereafter can, shall, or may ever have, that now exist or may exist in the future, on account of, or in any way arising out of, any and all known and unknown, foreseen and unforeseen, suspected or unsuspected, actual or contingent, liquidated or unliquidated claims, injuries, damages, and the consequences thereof in any way arising out of or relating in any way to (i) any conduct alleged in the Complaint, and (ii) any act or omission of the Releasees (or any of them) concerning Automotive Bearings, including but not limited to any conduct and causes of action alleged or asserted or that could have been alleged or asserted, in any class action or other complaint filed in the Action (the "Released Claims"), provided however, that nothing herein shall release: (1) any claims made by direct purchasers of Automotive Bearings as to such direct purchases; (2) any claims made by end-payor plaintiffs that are indirect purchasers of Automotive Bearings; (3) any claims made by any State, State agency, or instrumentality or political subdivision of a State as to government purchases and/or penalties; (4) claims involving any negligence, personal injury, breach of contract, bailment, failure to deliver lost goods, damaged or delayed goods, product defect, securities or similar claim relating to Automotive Bearings; (5) claims concerning any automotive part other than Automotive Bearings; (6) claims under laws other than those of the United States relating to purchases of Automotive Bearings

made by any Releasor outside of the United States; and (7) claims for damages under the state or local laws of any jurisdiction other than an Indirect Purchaser State. Releasors shall not, after the date of this Agreement, seek to establish liability against any Releasee as to, in whole or in part, any of the Released Claims unless this Agreement is, for any reason, not finally approved or terminated.

25. In addition to the provisions of Paragraph 24 of this Agreement, Releasors hereby expressly waive and release, upon this Agreement becoming final, as set out in Paragraph 22 of this Agreement, any and all provisions, rights, and benefits, as to their claims concerning Automotive Bearings conferred by § 1542 of the California Civil Code, which states:

CERTAIN CLAIMS NOT AFFECTED BY GENERAL RELEASE. A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR;

or by any equivalent law or statute of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to § 1542 of the California Civil Code. Each Releasor may hereafter discover facts other than or different from those which he, she, or it knows or believes to be true with respect to the claims which are released pursuant to the provisions of Paragraph 24 of this Agreement, but each Releasor hereby expressly waives and fully, finally, and forever settles and releases, upon this Agreement becoming final, any known or unknown, suspected or unsuspected, contingent or non-contingent claim that Schaeffler and Automobile Dealership Plaintiffs have agreed to release pursuant to Paragraph 24, whether or not concealed or hidden, without regard to the subsequent discovery or existence of such different or additional facts.

D. Settlement Amount.

26. Subject to the provisions hereof, and in full, complete and final settlement of the Action as provided herein, Schaeffler, shall pay or cause to be paid the Settlement Amount of U.S. \$2,400,000. The Settlement Amount shall be paid in U.S. dollars into an escrow account to be administered in accordance with the provisions of Paragraph 27 of this Agreement (the "Escrow Account") within thirty (30) days following the later of (i) entry of an order preliminarily approving this Agreement by the Court, or (ii) Schaeffler being provided with the account number, account name, and wiring information for the Escrow Account. No part of the Settlement Amount paid by Schaeffler shall constitute, nor shall be construed or treated as constituting, a payment of treble damages, fines, penalties, forfeitures, or punitive recoveries.

27. Escrow Account.

(a) The Escrow Account will be established at Huntington National Bank with such Bank serving as escrow agent ("Escrow Agent") subject to escrow instructions regarding investment types and reinvestment of income and proceeds mutually acceptable to Settlement Class Counsel and Schaeffler, such escrow to be administered by the Escrow Agent under the Court's continuing supervision and control.

(b) The Escrow Agent shall cause the funds deposited in the Escrow Account to be invested in short-term instruments backed by the full faith and credit of the United States Government or fully insured in writing by the United States Government, or money market funds rated Aaa and AAA, respectively by Moody's Investor Services and Standard and Poor's, invested substantially in such instruments, and shall reinvest any income from these instruments and the proceeds of these instruments as they mature in similar instruments at their then current market rates.

(c) All funds held in the Escrow Account shall be deemed and considered to be in *custodia legis* of the Court, and shall remain subject to the jurisdiction of the Court, until such time as such funds shall be distributed pursuant to this Agreement and/or further order(s) of the Court.

(d) Automobile Dealership Plaintiffs and Schaeffler agree to treat the Settlement Fund (as represented by the Escrow Account) as being at all times a qualified settlement fund within the meaning of Treas. Reg. § 1.468B-1. In addition, Settlement Class Counsel shall timely make such elections as necessary or advisable to carry out the provisions of this Paragraph 27, including the relation-back election (as defined in Treas. Reg. § 1.468B-1(j)) back to the earliest permitted date. Such elections shall be made in compliance with the procedures and requirements contained in such regulations. It shall be the responsibility of Settlement Class Counsel to timely and properly prepare and deliver the necessary documentation for signature by all necessary parties, and thereafter to cause the appropriate filing to occur. All provisions of this Agreement shall be interpreted in a manner that is consistent with the Settlement Fund being a "Qualified Settlement Fund" within the meaning of Treasury Regulation § 1.468B-1.

(e) For the purpose of § 468B of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder, the administrator of the Settlement Fund shall be Settlement Class Counsel. Settlement Class Counsel shall timely and properly file all information and other tax returns necessary or advisable with respect to the Settlement Fund (including without limitation the returns described in Treas. Reg. §§ 1.468B-2(k)(1) & 2(1)(2)). Such returns (as well as the election described in Paragraph 27 above(d) above) shall be consistent with Paragraph 27(d) and in all events shall reflect that all Taxes, as defined below

(including any estimated Taxes, interest or penalties), on the Settlement Fund shall be paid out of the Settlement Fund as provided in Paragraph 27(f) hereof.

(f) All (i) taxes (including any estimated taxes, interest or penalties) arising with respect to the income earned by the Settlement Fund, including any taxes or tax detriments that may be imposed upon Schaeffler or any other Releasee with respect to any income earned by the Settlement Fund for any period during which the Settlement Fund does not qualify as a qualified settlement fund for federal or state income tax purposes ("Taxes"); and (ii) expenses and costs incurred in connection with the operation and implementation of Paragraphs 27(d) through 27(f) (including, without limitation, expenses of tax attorneys and/or accountants and mailing and distribution costs and expenses relating to filing (or failing to file) the returns described in Paragraph 27(e) ("Tax Expenses")), shall be paid out of the Settlement Fund.

(g) Neither Schaeffler nor any other Releasee nor their respective counsel shall have any liability or responsibility for the Taxes or the Tax Expenses. Further, Taxes and Tax Expenses shall be treated as, and considered to be, a cost of administration of the Settlement Fund and shall be timely paid by the Escrow Agent out of the Settlement Fund without prior order from the Court and the Escrow Agent shall be obligated (notwithstanding anything herein to the contrary) to withhold from distribution to any claimants authorized by the Court any funds necessary to pay such amounts including the establishment of adequate reserves for any Taxes and Tax Expenses (as well as any amounts that may be required to be withheld under Treas. Reg. § 1.468B-2(1)(2)). Schaeffler shall not be responsible or have any liability therefor. Automobile Dealership Plaintiffs and Schaeffler agree to cooperate with the Escrow Agent, each other, and their tax attorneys and accountants to the extent reasonably necessary to carry out the provisions of Paragraphs 27(d) through 27(f).

(h) If this Agreement does not receive final Court approval, including final approval of the Settlement Class as defined in Paragraph 12, or if the Action is not certified as a class action for settlement purposes, then all amounts paid by Schaeffler into the Settlement Fund (other than costs expended or incurred in accordance with Paragraphs 27 and 30), shall be returned to Schaeffler from the Escrow Account by the Escrow Agent, along with any interest accrued thereon, within thirty (30) calendar days of the court's final determination denying final approval of the Agreement and/or Settlement Class.

28. Injunctive Relief.

Subject to the provisions hereof, and in full, complete, and final settlement of the Action as provided herein, Schaeffler further agrees that it is enjoined for a period of 24 months from the date of the entry of final judgment from engaging in conduct that constitutes a *per se* violation of Section 1 of the Sherman Act (whether characterized as price fixing, market allocation, bid rigging, or otherwise) with respect to the sale of Automotive Bearings.

29. Exclusions from the Settlement Class.

Subject to Court approval, any person or entity seeking exclusion from the Settlement Class must file a written request for exclusion by the Opt Out Deadline, which shall be the date set by the Court by which any class member must request exclusion from the Settlement Class.. Any person or entity that files such a request shall be excluded from the Settlement Class and shall have no rights with respect to this settlement. Subject to Court approval, a request for exclusion that does not comply with all of the provisions set forth in the applicable class notice will be invalid, and the person(s) or entity(ies) serving such an invalid request shall be deemed Settlement Class Member(s) and shall be bound by the

Settlement Agreement upon final approval. Settlement Class Counsel shall, within ten (10) business days of the Opt Out Deadline, provide Schaeffler with a list and copies of all opt out requests it receives in the Action and shall file with the Court a list of all members of the Settlement Class who timely and validly opted out of the settlement.

(a) Subject to Court Approval, any member of the Settlement Class who submits a valid and timely request for exclusion will not be a Settlement Class Member and shall not be bound by the terms of this Agreement. Schaeffler reserves all of its legal rights and defenses, including but not limited to any defenses relating to whether any excluded member of the Settlement Class is an indirect purchaser of Automotive Bearings or has standing to bring any claim against Schaeffler.

(b) Subject to Court Approval, in the written request for exclusion, the member of the Settlement Class must state his, her, or its full name, street address, telephone number, and email address. Further, the member of the Settlement Class must include a statement in the written request for exclusion that he, she, or it wishes to be excluded from the settlement. Any member of the Settlement Class that submits a written request for exclusion may also identify the number of Vehicles purchased from January 2000 through the Execution Date of this Agreement as requested in the notice to the Automotive Bearings Settlement Class as provided in Paragraph 12.

(c) Schaeffler or Settlement Class Counsel may dispute an exclusion request, and the parties shall, if possible, resolve the disputed exclusion request by agreement and shall inform the Court of their position, and, if necessary, obtain a ruling thereon within thirty (30) days of the Opt-Out Deadline.



(d) Within twenty (20) business days following the Opt-Out Deadline in accordance with the terms of this Paragraph 29, or as soon thereafter as practicable, the parties shall determine the total number of automobile dealer locations in the Indirect Purchaser States during the period January 1, 2000 through the Execution Date that purchased Vehicles containing Automotive Bearings which were manufactured or sold by a Defendant, any current or former parent, subsidiary, or affiliate of a Defendant, or any co-conspirator of the Defendants, or that indirectly purchased any such Automotive Bearings (defined as the Total Number of Damages Class Members for purposes of calculating the Total Opt-Out Percentage defined below). The parties shall determine the Total Number of Damages Class Members based upon reasonably available public information, and each dealership location shall be counted as a separate Settlement Class Member for purposes of this calculation. In the event the parties mutually agree that non-public information is required to determine the Total Number of Damages Class Members, the parties shall identify an appropriate source of the necessary information and any costs or expenses associated with securing such information shall be paid pursuant to Paragraph 30 below. Within ten (10) business days following the determination of the Total Number of Damages Class Members, the parties shall calculate the percentage of the Total Number of Damages Class Members and the Total Number of Damages Class Members that have validly and timely requested to be excluded from the Settlement Class ("Total Opt-Out Percentage"), provided that Schaeffler shall have the sole option to waive the calculation and, by doing so, waive its rights under this Paragraph. The Total Opt-Out Percentage is a fraction, the numerator of which is the Total Number of Damages Class Members that have validly and timely requested to be excluded from the Settlement Class, and the denominator of which is the Total Number of Damages Class Members. If the parties are unable to agree on the Total Opt-

Out Percentage, the Automobile Dealership Plaintiffs and Schaeffler agree to submit their respective calculations of the Total Opt-Out Percentage to the Court for decision as to which of the competing calculations is most reasonable. Should the Total Opt-Out Percentage for the Settlement Class be more than ten percent (10%), Schaeffler shall be paid out of the Settlement Fund an amount equal to the Settlement Fund multiplied by the difference between ten percent (10%) and the Total Opt-Out Percentage within ten (10) business days of the parties' agreement or the Court's determination of the Total Opt-Out Percentage calculation. As an example, for the avoidance of doubt, if the Total Opt-Out Percentage for the Settlement Class were twenty-five percent (25%), Schaeffler would be paid fifteen percent (15%) of the Settlement Fund

30. Payment of Expenses.

(a) Schaeffler agrees to permit a reasonable portion of the Settlement Fund, but no more than US \$500,000, to be used towards notice to the Settlement Class and the costs of administration of the Settlement Fund. The notice and administration expenses (up to a maximum of \$500,000) are not recoverable if this settlement does not become final or is terminated to the extent such funds have actually been expended or incurred for notice and administration costs. Any remaining expenses in excess of \$500,000 shall be recoverable if this Agreement does not become final or is terminated. Other than as set forth in this Paragraph 30 and Paragraph 27, Schaeffler shall not be liable for any of the costs or expenses of the litigation of the Action, including attorneys' fees, fees and expenses of expert witnesses and consultants, and costs and expenses associated with discovery, motion practice, hearings before the Court or Special Master, appeals, trials or the negotiation of other settlements, or for class administration and costs.

(b) To mitigate the costs of notice and administration, Automobile Dealership Plaintiffs shall use their best efforts, if practicable, to disseminate notice with any other settlements reached with other defendants in the MDL Litigation and to apportion the costs of notice and administration on a pro rata basis across the applicable settlements.

E. The Settlement Fund.

31. Releasors' sole monetary recourse for settlement and satisfaction against the Releasees of all Released Claims is against the Settlement Fund, and Releasors shall have no other monetary recovery against Schaeffler or any other Releasee.

32. After this Agreement becomes final within the meaning of Paragraph 22, the Settlement Fund shall be distributed in accordance with a plan to be submitted to the Court at the appropriate time by Settlement Class Counsel, subject to approval by the Court. In no event shall any Releasee have any responsibility, financial obligation, or liability whatsoever with respect to the investment, distribution, or administration of the Settlement Fund, including, but not limited to, the costs and expenses of such distribution and administration except as expressly otherwise provided in Paragraphs 27 and 30 of this Agreement.

33. Automobile Dealership Plaintiffs and Settlement Class Counsel shall be reimbursed and indemnified solely out of the Settlement Fund for all expenses and costs, as provided by Court Order. Schaeffler and the other Releasees shall not be liable for any costs, fees, or expenses of any of Automobile Dealership Plaintiffs or the Settlement Class' respective attorneys, experts, advisors, agents, or representatives, but all such costs, fees, and expenses as approved by the Court shall be paid out of the Settlement Fund.

34. Settlement Class Counsel's Attorneys' Fees, Reimbursement of Expenses, and Incentive Awards for Class Representatives.

(a) Settlement Class Counsel may submit after Preliminary Approval of this Agreement at a time to be determined in their sole discretion an application or applications to the Court (the "Fee and Expense Application") for: (i) an award of attorneys' fees not in excess of one-third of the Settlement Fund; plus (ii) reimbursement of expenses and costs incurred in connection with prosecuting the Action and incentive awards, plus interest on such attorneys' fees, costs, and expenses at the same rate and for the same period as earned by the Settlement Fund (until paid), as may be awarded by the Court (the "Fee and Expense Award"). Settlement Class Counsel reserves the right to make additional applications for Court approval of fees and expenses incurred and reasonable incentive awards, but in no event shall Schaeffler or any other Releasees be responsible to pay any such additional fees and expenses except to the extent they are paid out of the Settlement Fund.

(b) Subject to Court approval, Automobile Dealership Plaintiffs and Settlement Class Counsel shall be reimbursed and paid solely out of the Settlement Fund for all expenses including, but not limited to, attorneys' fees and past, current, or future litigation expenses and incentive awards. Attorneys' fees and expenses awarded by the Court shall be payable from the Settlement Fund upon award, notwithstanding the existence of any timely filed objections thereto, or potential appeal therefrom, or collateral attack on the settlement or any part thereof, subject to Settlement Class Counsel's obligation to make appropriate refunds or repayments to the Settlement Fund with interest, if and when, as a result of any appeal and/or further proceedings on remand, or successful collateral attack, the fee or award of expenses is reduced or reversed, or in the event the Agreement is rescinded or terminated pursuant to Paragraphs 27(h) or 50.

(c) The procedure for and the allowance or disallowance by the Court of the application by Settlement Class Counsel for attorneys' fees, costs, and expenses, and incentive awards for class representatives to be paid out of the Settlement Fund is not part of this Agreement, and is to be considered by the Court separately from the Court's consideration of the fairness, reasonableness and adequacy of the Settlement. Any order or proceeding relating to the Fee and Expense Application, or any appeal from any such order shall not operate to terminate or cancel this Agreement, or affect the finality of the final approval of the settlement.

(d) Neither Schaeffler nor any other Releasee under this Agreement shall have any responsibility for, or interest in, or liability whatsoever with respect to any payment to Settlement Class Counsel and/or Automobile Dealership Plaintiffs of any Fee and Expense Award in the Action.

(e) Neither Schaeffler nor any other Releasee under this Agreement shall have any responsibility for, or interest in, or liability whatsoever with respect to the allocation among Settlement Class Counsel, Automobile Dealership Plaintiffs and/or any other person who may assert some claim thereto, of any Fee and Expense Award that the Court may make in the Action.

F. Cooperation.

35. In return for the release and discharge provided herein, Schaeffler agrees to pay the Settlement Amount and be bound by the injunction described in Paragraph 28, and further agrees to use its best efforts to provide satisfactory and timely Cooperation, as set forth specifically in Paragraphs 35-49 below, until the later of the entry of final judgment or judgments with respect to all of the remaining defendants in the Action or dismissal with prejudice of those defendants and when such judgment or dismissals become "final" as described in Paragraph 22(ii). All such Cooperation will take place consistent with the timing set forth specifically

below, and in a manner that is in compliance with Schaeffler's obligations to any Government Entities (defined as the United States Department of Justice ("DOJ"), the Japanese Fair Trade Commission ("JFTC"), the European Commission ("EC"), or any other government entity). Schaeffler's cooperation is further detailed in a letter agreement executed by the parties contemporaneously with this Agreement. The letter agreement requires Schaeffler to provide Automobile Dealership Plaintiffs with additional Cooperation and does not in any way narrow the scope of the Cooperation set forth in the Agreement. Upon the Court's request, the parties shall make the letter agreement available for the Court's *in camera* review.

36. Within five (5) business days of the Execution Date of this Agreement, counsel for Schaeffler shall provide Settlement Class Counsel with the identity of all current and former employees, directors and officers of Schaeffler who were interviewed and/or prosecuted by the Government Entities in connection with alleged price-fixing, bid rigging and market allocation of Automotive Bearings; (2) appeared before the grand jury in the DOJ's investigation into alleged antitrust violations with respect to Automotive Bearings; and/or (3) were disclosed to the DOJ as having knowledge or information relating to the DOJ's investigation into alleged antitrust violations with respect to Automotive Bearings. Counsel for Schaeffler shall not be required to disclose to Settlement Class Counsel the specific Government Entities to which each such current or former employee, director or officer of Schaeffler was identified to or appeared before.

37. Transactional Data. Schaeffler represents that in the course of discovery in the Action, it has already produced to Automobile Dealership Plaintiffs, Schaeffler's pre-existing transactional data related to Automotive Bearings in accordance with the agreements Schaeffler reached with Automobile Dealership Plaintiffs regarding the scope of that production. To the extent Automobile Dealership Plaintiffs identify any deficiencies in that production, Schaeffler

will act in good faith to resolve those deficiencies in a timely manner. In addition, Schaeffler will provide, in response to a written request from Settlement Class Counsel, a single production of electronic transactional data generated during the two years after the Execution Date of this Agreement as it exists in Schaeffler's electronic database at the time of the request, within sixty (60) days of the receipt of such request. Schaeffler will preserve such transactional data until two years after the Execution Date of this Agreement.

38. Documents. Schaeffler represents that in the course of discovery in the Action, it has already produced to Automobile Dealership Plaintiffs all potentially relevant Documents ("Relevant Documents") in accordance with the agreements Schaeffler reached with Automobile Dealership Plaintiffs regarding the scope of that production. Such Relevant Documents include: (1) Documents provided to or seized by Government Entities relating to their investigation into alleged competition violations with respect to Automotive Bearings; (2) non-privileged Documents concerning Automotive Bearings collected and reviewed in connection with Schaeffler's internal investigation that are relevant to the allegations in the Complaint; (3) Documents concerning Schaeffler's determination of its prices for Automotive Bearings; (4) Documents showing how Schaeffler employees were trained or instructed to bid and set prices for Automotive Bearings; and (5) Documents relating to issued requests for quotation ("RFQ"), bids submitted in response to RFQs, and RFQ award notifications. To the extent Automobile Dealership Plaintiffs identify or Schaeffler discovers any deficiencies in that production, Schaeffler will act in good faith to resolve those deficiencies in a timely manner. To the extent not already produced to Automobile Dealership Plaintiffs, Schaeffler will produce to Automobile Dealership Plaintiffs no later than sixty (60) days after the Execution Date all Documents that have been identified by Schaeffler as relating to or concerning a communication, meeting, or

agreement regarding Automotive Bearings, by any employee, officer or director of Schaeffler with any employee, officer or director of another manufacturer or seller of Automotive Bearings, but that were not provided to or seized by Government Entities. As to Documents in its possession, custody, or control that are not listed above, Schaeffler will consider in good faith any reasonable request by Automobile Dealership Plaintiffs to collect and produce such Documents, provided the request would not impose an undue burden on Schaeffler.

39. Should Schaeffler inadvertently disclose Documents protected by the attorney-client privilege, the attorney work product doctrine, any applicable privilege under foreign law, or whose disclosure is prohibited by any court order, foreign or domestic law, or by a Government Entity, Automobile Dealership Plaintiffs agree (a) that such disclosure does not constitute a waiver of any applicable privilege or confidentiality requirement and (b) to return such documents to Schaeffler upon a written request from Schaeffler.

40. Additional Cooperation. Additionally, Schaeffler shall use its reasonable best efforts to cooperate with Settlement Class Counsel as set forth in this Paragraph. All such cooperation shall be, to the extent practicable, coordinated in such a manner so that all unnecessary duplication and expense is avoided. In particular, all attorney proffers, witness interviews, and depositions provided pursuant to the below obligations shall, to the extent practicable, be coordinated with, and occur at the same time as, the attorney proffers, witness interviews, and depositions provided in a contemporaneous settlement of the End-Payor Plaintiff Action, Case No. 2:12-cv-00503:

(a) Starting no later than fifteen (15) days after Preliminary Approval of the Agreement, Schaeffler's counsel will make themselves available at the offices of Wilmer Cutler Pickering Hale and Dorr LLP in Washington, DC for up to two (2) meetings of one (1)



business day each to provide an attorney's proffer of facts known to them relating to the allegations in the Action. Thereafter, Schaeffler's counsel will make themselves available for reasonable follow-up conversations in connection with the attorney's proffer, and will use reasonable efforts to respond to questions posed by Settlement Class Counsel.

(b) Upon reasonable notice after preliminary approval, Schaeffler agrees to make three (3) persons available for interviews and depositions, and make those persons available to provide declarations and to testify at trial. The identity of such persons will be selected by Settlement Class Counsel, in consultation with counsel for end-payor plaintiffs ("End-Payor Plaintiffs"), subject to Schaeffler's approval, and be persons whom Settlement Class Counsel reasonably and in good faith believe possess knowledge of facts or information that would reasonably assist Automobile Dealership Plaintiffs in the prosecution of the Action. Schaeffler shall not unreasonably refuse to provide interviews and depositions of the witnesses selected by Automobile Dealership Plaintiffs. Interviews and depositions shall each be conducted at a mutually agreed-upon location, and depositions shall be limited to a total of seven (7) hours over one day. To the extent that the person to be deposed requests an interpreter, depositions shall be limited to a total of thirteen (13) hours, which would occur over two (2) consecutive days at the request of the deponent. If in good faith Settlement Class Counsel believe any additional Schaeffler witnesses are necessary to obtain needed cooperation from Schaeffler, Schaeffler agrees to consider such request(s) in good faith.

41. Schaeffler shall be entitled to designate all Cooperation Materials in accordance with the Protective Order entered in this Action. Automobile Dealership Plaintiffs and Settlement Class Counsel will not attribute any factual information obtained from Attorney Proffers to

Schaeffler or its counsel. Automobile Dealership Plaintiffs and Settlement Class Counsel may share information obtained from Attorney Proffers with counsel for End-Payor Plaintiffs, but shall not disclose information obtained from Attorney Proffers to any other claimants or potential claimants, including without limitation direct purchaser plaintiffs, public entity plaintiffs, and opt-out plaintiffs in the MDL Litigation, except with Schaeffler's prior express written consent.

42. In addition, after conducting a reasonable search, Schaeffler shall, to the best of its knowledge, identify those Vehicles sold in the United States from January 1, 2000 through the Execution Date of this Agreement that contain Automotive Bearings sold by Schaeffler.

43. In addition to its Cooperation obligations set forth herein, Schaeffler agrees to produce through affidavit(s) or declaration(s) and/or trial, if necessary, in Settlement Class Counsel's discretion, representatives qualified to authenticate and/or establish as business records any of Schaeffler's Documents and transaction and/or cost data produced or to be produced, and to the extent possible, any Documents produced by Defendants or third-parties in this Action. In addition, if not unduly burdensome, Schaeffler agrees to produce through affidavit(s) or declaration(s) and/or at trial, if necessary, in Settlement Class Counsel's discretion, representatives qualified to establish any other necessary foundation for admission into evidence.

44. Notwithstanding any other provision of this Agreement, the parties and their counsel further agree that any Attorney Proffers or other statements made by counsel for Schaeffler in connection with or as part of this settlement shall be governed by Federal Rule of Evidence 408. Notwithstanding anything herein, Settlement Class Counsel may use information contained in such Attorney Proffers or other statements in the prosecution of its claims in all cases in the MDL Litigation including for the purpose of developing an allocation plan relating

to any settlement or judgment proceeds, except any claims against Releasees (but shall not introduce any information from an Attorney Proffer into the record, or depose or subpoena any Schaeffler counsel related to an Attorney Proffer), and may rely on such information to certify that, to the best of Settlement Class Counsel's knowledge, information and belief, such information has evidentiary support or will likely have evidentiary support after reasonable opportunity for further investigation or discovery.

45. In the event that Schaeffler, or any other Releasee, produces Documents or provides declarations or written responses to discovery to any party or non-party in the actions in the MDL Litigation, concerning or relating to the Action ("Relevant Production"), the producing party shall produce all such Documents, declarations or written discovery responses to Automobile Dealership Plaintiffs contemporaneously with making the Relevant Production to the extent such Documents, declarations or written discovery responses have not previously been produced to Automobile Dealership Plaintiffs. This Agreement does not restrict Settlement Class Counsel from noticing, attending and/or participating in any deposition in the MDL Litigation. Settlement Class Counsel may notice, attend and/or participate in any depositions of Schaeffler witnesses, or witness of any other Releasee, in addition to the depositions set forth in Paragraph 39, and Settlement Class Counsel together with settlement class counsel for the End-Payor Plaintiffs may ask questions for a combined total of three (3) hours at such deposition, provided that the time for participation of Settlement Class Counsel and settlement class counsel for the End-Payor Plaintiffs shall not expand the time permitted for the deposition as may be provided by the Court, and Settlement Class Counsel will not ask the Court to enlarge the time of any deposition noticed of any of Schaeffler's or any other Releasees' current or former employees. Participation by Settlement Class Counsel in the depositions discussed in this

Paragraph will not limit the number of depositions to be provided under Paragraph 40 above. Automobile Dealership Plaintiffs and Settlement Class Counsel agree to use their best efforts to ensure that any depositions taken under Paragraph 40 above are coordinated with any other deposition noticed in the MDL Litigation to avoid unnecessary duplication.

46. Schaeffler's and the other Releasees' obligations to provide Cooperation shall not be affected by the releases set forth in this Settlement Agreement. Unless this Agreement is rescinded, disapproved, or otherwise fails to take effect, Schaeffler's obligations to provide Cooperation under this Agreement shall continue only until otherwise ordered by the Court, or the date that final judgment has been entered in the Action against all Defendants. For purposes of final judgment, "final" shall have the meaning set forth in Paragraph 22(ii).

47. In the event that this Agreement fails to receive final approval by the Court, the parties agree that neither Automobile Dealership Plaintiffs nor Settlement Class Counsel shall be permitted to introduce into evidence against Schaeffler or any other Releasee, at any hearing or trial, or in support of any motion, opposition or other pleading in the Action or in any other federal or state or foreign action alleging a violation of any law relating to the subject matter of the Action, Documents provided by Schaeffler and/or the other Releasees, their counsel, or any individual made available by Schaeffler pursuant to Cooperation (as opposed to from any other source or pursuant to a court order). This limitation shall not apply to any discovery of Schaeffler which Settlement Class Counsel participate in as part of the MDL Litigation. Notwithstanding anything contained herein, Automobile Dealership Plaintiffs and the Settlement Class are not relinquishing any rights to pursue discovery against Schaeffler in the event that this Agreement fails to receive final approval by the Court, including final approval of the Settlement Class as defined in Paragraph 12, or in the event that it is terminated by either party under any provision

herein. Should this Agreement fail to receive final approval by the Court, Automobile Dealership Plaintiffs and Schaeffler will meet and confer regarding the number and timing of any additional depositions of current or former employees of Schaeffler in the MDL Litigation. If the parties cannot agree, they may move the Special Master or Court in the MDL Litigation to set the number and timing of such depositions.

48. Schaeffler and other Releasees need not respond to formal discovery requests from Automobile Dealership Plaintiffs or otherwise participate in the Action during the pendency of this Agreement, with the exception of the Cooperation provisions set forth above in Paragraphs 35-49. Other than to enforce the terms of this Agreement, neither Schaeffler nor Automobile Dealership Plaintiffs shall file motions against the other, in the Action, during the pendency of this Agreement.

49. If Settlement Class Counsel believes that Schaeffler has failed to cooperate under the terms of this Agreement, Settlement Class Counsel may seek an Order from the Court compelling such cooperation. Nothing in this provision shall limit in any way Schaeffler's ability to defend the level of Cooperation it has provided or to defend its compliance with the terms of the Cooperation provisions in this Agreement.

G. Rescission if this Agreement is Not Approved or Final Judgment is Not Entered.

50. If the Court refuses to approve this Agreement or any part hereof, including if the Court does not certify the Settlement Class in accordance with the specific Settlement Class definitions set forth in this Agreement, or if such approval is modified or set aside on appeal, or if the Court does not enter the final judgment provided for in Paragraph 22 of this Agreement, or if the Court enters the final judgment and appellate review is sought, and on such review, such final judgment is not affirmed in its entirety, then Schaeffler and Automobile Dealership

Plaintiffs shall each, in their sole discretion, have the option to rescind this Agreement in its entirety. Written notice of the exercise of any such right to rescind shall be made according to the terms of Paragraph 62. A modification or reversal on appeal of any amount of Settlement Class Counsel's fees and expenses awarded by the Court from the Settlement Fund shall not be deemed a modification of all or a part of the terms of this Agreement or such final judgment.

51. In the event that this Agreement does not become final as set forth in Paragraph 22, or this Agreement otherwise is terminated or rescinded by either party under any provision herein, then this Agreement shall be of no force or effect and any and all parts of the Settlement Fund, including all amounts deposited in the Escrow Account and all interest accrued or earned thereon shall be returned forthwith to Schaeffler less only disbursements made in accordance with Paragraphs 27 and 30 of this Agreement. Schaeffler expressly reserves all rights and defenses if this Agreement does not become final.

52. Further, and in any event, Automobile Dealership Plaintiffs and Schaeffler agree that this Agreement, whether or not it shall become final, and any and all negotiations, documents, and discussions associated with it, shall not be deemed or construed to be an admission or evidence of (i) any violation of any statute or law or of any liability or wrongdoing whatsoever by Schaeffler, or the other Releasees, to be used against Schaeffler or the other Releasees, or of (ii) the truth of any of the claims or allegations contained in the Complaint or any other pleading filed in the MDL Litigation, to be used against Schaeffler or the other Releasees, and evidence thereof shall not be discoverable or used in any way, in the MDL Litigation, against Schaeffler or the other Releasees. Nothing in this Paragraph shall prevent Automobile Dealership Plaintiffs from using Cooperation Materials produced by Schaeffler against any other defendants in any actions to establish (i) or (ii) above.

53. This Agreement shall be construed and interpreted to effectuate the intent of the parties, which is to provide, through this Agreement, for a complete resolution of the relevant claims with respect to each Releasee as provided in this Agreement.

54. The parties to this Agreement contemplate and agree that, prior to final approval of the settlement as provided for in Paragraphs 18-22 hereof, appropriate notice (1) of the settlement; and (2) of a hearing at which the Court will consider the approval of this Agreement, will be given to the Settlement Class.

H. Miscellaneous.

55. Schaeffler shall submit all materials required to be sent to appropriate Federal and State officials pursuant to the Class Action Fairness Act of 2005, 28 U.S.C. § 1715.

56. This Agreement does not settle or compromise any claim by Automobile Dealership Plaintiffs or any Settlement Class Member asserted in the Complaint or, if amended, any subsequent complaint, against any Defendant or alleged co-conspirator other than Schaeffler or the other Releasees. All rights against such other Defendants or alleged co-conspirators are specifically reserved by Automobile Dealership Plaintiffs and the Settlement Class. All rights of any Settlement Class Member against any and all former, current, or future Defendants or co-conspirators or any other person other than Schaeffler and the other Releasees, for sales made by Schaeffler and Schaeffler's alleged illegal conduct are specifically reserved by Automobile Dealership Plaintiffs and Settlement Class Members. Schaeffler's sales to the class and its alleged illegal conduct shall, to the extent permitted or authorized by law, remain in the Action as a basis for damage claims and shall be part of any joint and several liability claims against other current or future Defendants in the Action or other persons or entities other than Schaeffler's and the other Releasees. Schaeffler shall not be responsible for any payment to

Automobile Dealership Plaintiffs other than the amount specifically agreed to in Paragraph 26 of this Agreement.

57. The United States District Court for the Eastern District of Michigan shall retain jurisdiction over the implementation, enforcement, and performance of this Agreement, and shall have exclusive jurisdiction over any suit, action, proceeding, or dispute arising out of or relating to this Agreement or the applicability of this Agreement that cannot be resolved by negotiation and agreement by Automobile Dealership Plaintiffs and Schaeffler, including challenges to the reasonableness of any party's actions. This Agreement shall be governed by and interpreted according to the substantive laws of the state of Michigan without regard to its choice of law or conflict of laws principles. Schaeffler will not object to complying with any of the provisions outlined in this Agreement on the basis of jurisdiction.

58. This Agreement and the letter agreement constitutes the entire, complete and integrated agreement among Automobile Dealership Plaintiffs and Schaeffler pertaining to the settlement of the Action against Schaeffler, and supersedes all prior and contemporaneous undertakings, communications, representations, understandings, negotiations and discussions, either oral or written, between Automobile Dealership Plaintiffs and Schaeffler in connection herewith. This Agreement may not be modified or amended except in writing executed by Automobile Dealership Plaintiffs and Schaeffler, and approved by the Court.

59. This Agreement shall be binding upon, and inure to the benefit of, the successors and assigns of Automobile Dealership Plaintiffs and Schaeffler. Without limiting the generality of the foregoing, each and every covenant and agreement made herein by Automobile Dealership Plaintiffs or Settlement Class Counsel shall be binding upon all Settlement Class Members and



Releasers. The Releasees (other than Schaeffler entities which are parties hereto) are third-party beneficiaries of this Agreement and are authorized to enforce its terms applicable to them.

60. This Agreement may be executed in counterparts by Automobile Dealership Plaintiffs and Schaeffler, and a facsimile signature shall be deemed an original signature for purposes of executing this Agreement.

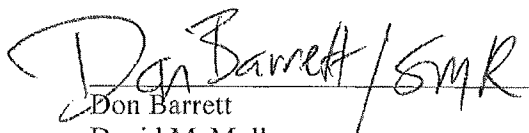
61. Neither Automobile Dealership Plaintiffs nor Schaeffler shall be considered to be the drafter of this Agreement or any of its provisions for the purpose of any statute, case law, or rule of interpretation or construction that would or might cause any provision to be construed against the drafter of this Agreement.

62. Where this Agreement requires either party to provide notice or any other communication or document to the other, such notice shall be in writing, and such notice, communication or document shall be provided by facsimile, or electronic mail (provided that the recipient acknowledges having received that email, with an automatic "read receipt" or similar notice constituting an acknowledgement of an email receipt for purposes of this Paragraph), or letter by overnight delivery to the undersigned counsel of record for the party to whom notice is being provided.

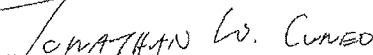
63. Each of the undersigned attorneys represents that he or she is fully authorized to enter into the terms and conditions of, and to execute, this Agreement subject to Court approval.

*[signature pages follow]*

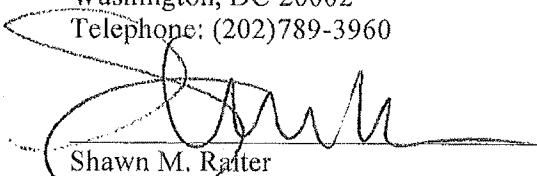
Dated: August 10, 2016



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