



## OSRAM SYLVANIA AUTOMOTIVE LIGHTING CLASS ACTION SETTLEMENT (CANADA)

### CLOSING REPORT

#### Case History

Class action lawsuits claiming that Osram Sylvania, Inc., Osram Sylvania Products, Inc. and Osram Sylvania, Ltd. (“Sylvania”) allegedly misrepresented that certain replacement automotive lighting is brighter, provides a wider beam and allows drivers to see farther down the road than standard halogen lighting were filed in Ontario and Quebec. It was also claimed that Sylvania omitted material information regarding the reduced life of the replacement lighting. In the fall of 2016, the Superior Courts of Quebec and Ontario approved a national class action settlement agreement (“agreement”) as was proposed by the settling parties.

The Court approved agreement provided that the Defendants would pay no less than \$1,150,000.00 and not more than \$1,750,000.00 to settle all claims. Eligible class members were to be compensated if they purchased one of the products, in Canada from September 22, 2005 until December 31, 2014. The covered products are listed in the table below.

Covered Products	Initial Amount Payable to Every Approved Class Member*	Maximum Amount Payable to Every Approved Class Member*
SilverStar ULTRA, SilverStar, XtraVision, or Cool Blue replacement headlamp capsules	\$12.00	\$24.00
SilverStar, XtraVision, or Cool Blue sealed beam headlamps	\$12.00	\$24.00
SilverStar fog or auxiliary lights	\$12.00	\$24.00
	<i>*Subject to pro rata discount if high volume of claims approved.</i>	

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Eligible class members could submit a claim no later than May 4, 2017, and if approved be paid compensation for any one of the above listed covered products, irrespective of how many purchased. The compensation payment maximum was \$24.00 for every approved Class Member. This \$24.00 maximum was not guaranteed. Paragraph 27 of the agreement stated that the compensation payable to every approved Class Members would be subject to a downward pro rata discount for all when all of the case expenses and fees, coupled with the total value of all of the approved claims to be paid, exceeded the maximum settlement amount of \$1,750,000.00. Due to a very high volume of approved claims, the settlement amount maximum of \$1,750,000.00 was paid by the Defendants and the pro rata discount outlined in paragraph 27 was equally triggered. The funds available to pay the approved Class Members could not cover the \$24.00 or \$12.00 compensation payment.

Bruneau Group was appointed by the Court to plan and execute a bilingual national legal noticing campaign. Bruneau Group was also mandated to serve as the Claims Administrator and oversee, the reception, processing and distribution of the settlement.

Our mandate is now complete and the salient results of the legal notice campaign and the claims administration overall, are summarized below.

**Legal Noticing**

Two (2) legal noticing campaigns were executed separately through paid advertising in high circulation daily newspapers and a press release distributed within key geographic markets.

**Notice # 1**

Legal notice of the settlement approval hearing was published on **June 22, 2016** in seventeen (17) English and seven (7) French the Canadian newspapers, providing for an estimated total reach (made available but not necessarily read) of 20,424,558. This notice was to highlight any class member's right to opt-out and/or object. There were no opt-outs or objections filed with our office.

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**Notice # 2**

Legal notice of the settlement approval was published on **February 3, 2017** in six (6) English and two (2) French Canadian newspapers. This notice was to highlight how and where to file a claim and inform Canadian residents of the opt-out and the claim filing deadlines. A bilingual Press Release was issued via the Canada News Wire on the same day.

**Dedicated Bilingual Class Action Website – [www.autolightclaims.ca](http://www.autolightclaims.ca)**

Bruneau Group created, developed and regularly updated a bilingual dedicated website that allowed for online claim filing. The process was secure, fast and easy. Almost all of the claims received were filed online. Relevant website content was created and posted in order to provide helpful information about the settlement and how to file a claim. Downloadable bilingual Opt-Out and Claim forms were posted, along with the legal notices and the settlement agreement.

A banner, entitled *Important Information* highlighted all applicable deadlines and key messages for the Class. This banner was regularly updated.

**Claims Administration**

The individual claim payments were subject to a pro rata downward adjustment in dollar value based on the number of claims approved as per par. 27 of the settlement agreement. As a result of a very high take-up rate, the final compensation awarded payable was **\$9.93** per approved Class Member.

<b>AUTOLIGHTS FINAL CLAIM STATISTICS</b>		
		<b>Quebec Residents (%)</b>
<b>Grand Total Approved Claims</b>	<b>43,737</b>	61.6%
<b>Grand Total Rejected Duplicate Claims</b>	2,115	68.6%
<b>Grand Total Rejected Did Not Purchase</b>	631	68.2%
<b>Grand Total All Claims Filed</b>	<b>46,483</b>	62%

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A total of **2,746 claims were rejected**. Pursuant to par. 42 of the settlement agreement, email notifications were issued to all persons who filed claims that were rejected. Any disputes that were raised by claimants were fully addressed by the Claims Administrator.

In accordance with par. 39, claim submissions that were deficient were flagged as such and claimants were given 14 days to correct the deficiencies. The Claims Administrator communicated precise details about deficiencies to the claimant via email or telephone. We always provided telephone, ground mail, email and fax services, such that claimants were able to contact our office to further inquire about deficiency details and/or provide the documentation necessary to cure the deficiency.

**Financial Report**

In accordance with par. 41 of the settlement agreement, the cheques were issued on July 19, 2017 and became stale-dated on January 19, 2018 (after the expiry of six months). Cheques (43,737) were mailed via regular ground mail in late July 2017 to the postal address as inputted by the claimant.

Please go the next page to view a detailed financial breakdown of the total deposits and expenses, the pro rata calculations, the amounts distributed (cheques cashing rate) and the residual funds.

**OSRAM SYLVANIA AUTOLIGHTS CLASS ACTION SETTLEMENT  
FINAL CALCULATIONS - CLOSING REPORT**

	Deposits	Expenses
<b>Defendant Deposits</b>		
Aug 19/16	\$350,000.00	
Feb 28/17	\$800,000.00	
June 10/17	\$600,000.00	
<b>Total Deposits</b>	<b>\$1,750,000.00</b>	
Interest	\$1,756.12	
<b>Grand Total Including Interest</b>	<b>\$1,751,756.12</b>	
<b>Expenses</b>		
Class Counsel Fees ON		\$142,454.04
Class Counsel Fees - QC		\$453,243.00
Honorarium 1		\$5,000.00
Honorarium 2		\$5,000.00
<b>Total Plaintiff Fees Paid</b>		<b>\$605,697.04</b>
Class Counsel - Legal Noticing		\$55,000.00
Legal Notice #1		\$171,773.41
Legal Notice #2		\$88,085.13
<b>Total Legal Noticing Fees Paid</b>		<b>\$314,858.54</b>
Claims Administration Fees		\$396,764.76
<b>Grand Total Expenses</b>		<b>\$1,317,320.34</b>
<b>Net Settlement Funds to Distribute</b>	Deposits minus Expenses	<b>\$434,435.78</b>

	Deposits minus Expenses	Actual Cheque Value	Actual Value Multiplied by the Number of Cheques	Difference
Number of Approved Claims	<b>43,737</b>			
Calculated Pro Rata Claim Value	Settlement Funds Divided by the Number of Approved Claims	\$9.933	<b>\$9.93</b>	\$434,308.41
				\$127.37

Cheques	Number of Cheques	Value	Difference/Re sidue	Final Fund RESIDUE
Total Cheques	43737	\$434,308.41	n/a	n/a
Cashed Cheques	38179	\$379,117.47	n/a	n/a
Uncashed Cheques	5558	\$55,190.94	\$127.37	<b>\$55,318.31</b>
<b>Cashing rate</b>	<b>87.29%</b>			

The cyprès  
balance is  
**\$48,790.75**

As per the Settlement Agreement, 23.6% of the "reliquat" is payable to the **Fond d'aide aux actions collectives = \$13,055.12**. This sum is further subject to Art. 1 (1) (a) of the Regulation respecting the percentage withheld by the Fonds d'aide aux actions collectives which provides that when the "reliquat" is less than \$100,000, the percentage payable is 50%. This means that the grand total payable to the Fonds is **\$6,527.56** (\$13,055.12 x 0.5)