

## SETTLEMENT AGREEMENT

This Settlement Agreement (“Settlement” or “Agreement”) is made and entered by and between Defendant AP Auto Parts Industrial Ltd., formerly known as Auto Parts Industrial, Ltd. and its wholly owned subsidiary, Cornerstone Auto Parts, LLC (collectively, “API” or “Settling Defendant”), on the one hand, and the “Class” (as defined in paragraph 2 below) on the other hand.

WHEREAS, the Class alleges that Settling Defendant participated in an unlawful conspiracy to raise, fix, maintain, or stabilize the price of “Aftermarket Automotive Sheet Metal Products” (as defined in paragraph 1 below) at artificially high levels and to restrict output of Aftermarket Automotive Sheet Metal Products in violation of Section 1 of the Sherman Act, 15 U.S.C. § 1;

WHEREAS, the Class has conducted an investigation into the facts and the law regarding the claims in the action entitled *Fond du Lac Bumper Exchange Inc. v. Jui Li Enterprise Co. Ltd, et al.*, 2:09-cv-00852 (E.D. Wis.), (the “Action”), and believes that its claims are valid, but nevertheless recognizes that there are material litigation risks associated with pursuing those claims and, therefore, has concluded that resolving its claims against Settling Defendant according to the terms set forth below is in the best interest of the Class;

WHEREAS, Settling Defendant believes it is not liable for and has valid defenses to the claims asserted but 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 Settling Defendant, based on the allegations of the Action, as more particularly set out below;

WHEREAS, Settling Defendant and the Class have negotiated all of the terms and conditions of this Agreement at arm's length and all terms, conditions, and exhibits in their exact form are material and necessary to this Agreement and have been relied upon by the parties in entering into this Agreement;

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 Settling Defendant on the following terms and conditions, and incorporating the preceding clauses:

**A. Definitions.**

1. For purposes of this Agreement, "Aftermarket Automotive Sheet Metal Products" is defined as any and all directly purchased aftermarket automotive products comprised of any kind of sheet metal manufactured by companies other than original equipment manufacturers, including but not limited to such products as hoods, doors, bumpers, fenders, bonnets, floor panels, trunk assemblies, trunk lids, tailgates, roof panels, and reinforcement parts.

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

All persons and entities in the United States, and its territories and possessions, that purchased Aftermarket Automotive Sheet Metal Products directly from any of the Defendants between January 1, 2003 and September 4, 2009. Excluded from this definition are Defendants and their parents, subsidiaries, and affiliates; all governmental entities; and any judicial officer presiding over the Action and the members of his/her immediate family and judicial staff.<sup>1</sup>

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<sup>1</sup> This definition encompasses all members of the litigation class certified by the Court on June 24, 2016 (ECF No. 910), but is narrower than the settlement classes approved by the Court in earlier settlements in this case.

3. For purposes of this Agreement, the terms “Defendant” or “Defendants” shall mean, respectively, each and all parties named as Defendants in the Second Amended Class Action Complaint filed August 3, 2011, as amended to add Tong Yang Industry Co. Ltd. as successor-in-interest to Taiwan Kai Yi Industrial Co. Ltd.

4. “Releasees” shall refer to Settling Defendant and to all of Settling Defendant’s respective past and present, direct and indirect, parents, subsidiaries, related entities and affiliates; the predecessors, successors and assigns of any of the above; and each and all of the present and former principals, partners, officers, directors, investors, supervisors, employees, agents, representatives, insurers, attorneys, heirs, executors, administrators, and assigns of each of the foregoing. Releasees shall not refer to any other Defendant (including their respective past and present, direct and indirect, parents, subsidiaries, related entities and affiliates) in the action besides the Settling Defendant.

5. “Releasers” shall refer to Fond du Lac Bumper Exchange, Inc., Roberts Wholesale Body Parts, Inc., and the members of the Class, and to their past and present officers, directors, employees, agents, stockholders, attorneys, servants, representatives, corporate parents, subsidiaries, divisions, related entities, affiliates, corporate 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, executives, administrators, and assigns of any of the foregoing.

6. The “Settlement Fund” shall refer to the payments to be made by Settling Defendant pursuant to paragraph 19 of this Agreement, totaling USD \$3,250,000 plus all accrued interest thereon.

7. “Co-Lead Counsel” shall refer to the following counsel for the Class:

Jason S. Hartley  
Hartley LLP  
101 W. Broadway, Suite 820  
San Diego, CA 92101

Vincent J. Esades  
Heins Mills & Olson, P.L.C.  
310 Clifton Avenue  
Minneapolis, MN 55403

**B. Approval of this Agreement and Dismissal of Claims Against Settling Defendant.**

8. The Class and the Settling Defendant (together, the “Settling Parties”), and the Settling Parties’ counsel, respectively, shall use their best efforts to effectuate this Agreement and its purpose, and secure the prompt, complete, and final dismissal with prejudice of the Action as to the Settling Defendant and Releasees, but not as to any party, person, or entity that is not a Releasee.

9. Co-Lead Counsel, with the assistance of Settling Defendant, shall immediately but no later than 21 calendar days from the date of execution of this Agreement, submit to the Court a Motion for Preliminary Approval of the settlement and this Agreement. The Motion for Preliminary Approval shall propose the following schedule, subject to modification as required by the Court:

**Notice to Class** – To be given within 21 calendar days of entry of the Order granting preliminary approval.

**Motion for attorneys’ fees and costs (if any)** – To be filed no later than 14 calendar days prior to the objection deadline.

**Deadline for Class Member to object to Settlement or to object to attorneys’ fees and costs (“Objection Deadline”)** – No later than 30 calendar days after Notice is sent to the Class.

**Motion for Final Approval** – To be filed no later than 35 calendar days after Notice is sent to the Class.



**Final fairness hearing** – 10 court days after filing of motion for Final Approval, subject to the Court's availability.

The Settling Parties shall use their best efforts to meet and achieve the deadlines in Paragraph 9. If a party cannot meet one of the deadlines in Paragraph 9, then it shall give prompt notice to the other party. No party shall withhold consent to a reasonable extension, accommodation or leave of these deadlines.

10. The Settling Parties agree that, subject to Court approval, notice of this Settlement shall be directed to the members of the Class. All notice, claims, and settlement administration costs shall be paid from the Settlement Fund pursuant to a notice and claims administration plan approved by the Court, and Settling Defendant shall not be liable for any notice, claims or administration costs except as provided herein. The motion for approval of the form(s) of notice and method(s) of disseminating notice shall recite and ask the Court to find that any notice of Settlement, whether by U.S. Mail, publication or otherwise, constitutes valid, due and sufficient notice, constitutes the best notice practicable under the circumstances, and complies fully with the requirements of Federal Rule of Civil Procedure 23 and any other applicable law.

11. The Settling Parties shall jointly seek entry of an order and final judgment no later than 14 days after all settlement payments set forth in paragraph 19 have been made, the text of which the Settling Parties shall agree upon. The terms of that order and final judgment will include, at a minimum, the substance of the following provisions:

a. approving finally this Settlement Agreement and its terms as being a fair, reasonable and adequate settlement as to the Class within the meaning of Rule 23 of the Federal Rules of Civil Procedure or other applicable law and directing its consummation according to its terms;

b. as to Settling Defendant, that the Action be dismissed with prejudice only after it has completed payments to the Class of all the settlement amounts described in paragraph 19 and, except as provided for in this Agreement, without recovery of attorneys' fees or costs from either Releasees or Releasors;

c. upon completion of the payments by the Settling Defendant to the Class of all the settlement amounts described in paragraph 19 determining under Federal Rule of Civil Procedure 54(b) that there is no just reason for delay and directing that judgment of dismissal as to Settling Defendant be finally entered.

12. Subject to the provisions of paragraphs 9, 29, 31 and 32, this Agreement shall become final when: (1) the Court has entered an order granting final approval of this Settlement and this Agreement under Federal Rule of Civil Procedure 23(e); and (2) when the time for appeal or to seek permission to appeal from the Court's approval of this Settlement and Agreement has expired or, if appealed, approval of this Agreement as to Settling Defendant has been affirmed in its entirety by the Court of last resort to which such appeal has been taken and such affirmance is no longer subject to further appeal or review, or upon the denial of a writ of certiorari to review the order. The Agreement shall be deemed executed as of the last date of signature by API or Co-Lead Counsel. Neither the provisions of Rule 60 of the Federal Rules of Civil Procedure nor the All Writs Act, 28 U.S.C. § 1651, shall be taken into account in determining the above-stated times. As of the date of execution of this Agreement, the Settling Parties shall be bound by the terms of this Agreement and this Agreement shall not be rescinded or terminated except as set forth in paragraph 29 or 31 of this Agreement.

13. Neither this Agreement (whether or not it should become final) nor the final judgment, nor any and all negotiations, documents, and discussions associated with such

negotiation, shall be deemed or construed to be an admission by, or form the basis of an estoppel by a third party against the Settling Defendant or Releasees, or evidence of any violation of any statute or law or of any liability or wrong doing whatsoever by the Settling Defendant or Releasees, or of the truth of any of the claims or allegations contained in any complaint or any other pleading filed by the Class, and evidence thereof shall not be discoverable, or used directly or indirectly, in any way, by the Class or Co-Lead Counsel whether in the Action or in any other action or proceeding. Neither this Agreement, nor any of its terms and provisions, nor any of the negotiations or proceedings connected with it, nor any action taken to carry out this Agreement by any of the Class or Settling Defendant shall be referred to, offered into evidence, or received in evidence in any pending or future civil, criminal or administrative action or proceeding, except in a proceeding to enforce this Agreement, or to defend against the assertion of any Released Claims, as defined in paragraph 14, or as otherwise required by law.

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

14. 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 12 of this Agreement, and in consideration of payment in full of the Settlement Fund as specified in paragraph 19 of this Agreement, and for other valuable consideration, 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 member of the Class has objected to the settlement or makes a claim upon or receives any portion of the Settlement Fund), whether directly, representatively, derivatively or in any other capacity that Releasors, or each of them, ever had, now has, or hereafter can, shall, or may have on account of, related to, or in any way arising out of, any and all known and unknown, foreseen and unforeseen, suspected

or unsuspected injuries, damages, and the consequences thereof in any way arising out of or relating in any way to any act or omission of Releasees (or any of them) concerning claims based on the conduct alleged and causes of action asserted or that could have been asserted, in complaints filed in the Action by the Class during the class period including, without limitation, any claims arising under any federal or state antitrust, unjust enrichment, unfair competition, trade practice, statutory or common law, and consumer protection law (to the extent that a consumer protection claim would be based on allegations of an antitrust or unfair competition violation) (the “Released Claims”). Releasors shall not, after the date of this Agreement, seek to establish liability against any Releasee based, in whole or in part, upon any of the Released Claims. The Settling Parties contemplate and agree that this Agreement, once all its provisions are satisfied for entry of final judgment, may be pleaded as a bar to a lawsuit, and an injunction may be obtained, preventing any action from being initiated or maintained in any case sought to be prosecuted on behalf of Aftermarket Automotive Sheet Metal Products purchasers with respect to the claims released in this paragraph.

15. 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 12 of this Agreement, and in consideration of their release of Releasees and for other valuable consideration, Releasors 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 directly, representatively, derivatively or in any other capacity that Releasees, or each of them ever had, now has, or hereafter can, shall, or may have on account or related to, or in any way arising out of, any and all known and unknown, foreseen and unforeseen, suspected or unsuspected injuries, damages, and the consequences thereof in any way arising out of or relating

in any way to any act or omission of Releasors (or any of them) concerning the institution, prosecution, assertion, settlement or resolution of the Action or the Released Claims (the "Releasee-Released Claims"). Releasees shall not, after the date of this Agreement, seek to establish liability against any Releasor based, in whole or in part, upon any of the Releasee-Released Claims, or conduct at issue in the Releasee-Released Claims.

16. In addition to the provisions of paragraphs 14-15 of this Agreement, Releasors hereby expressly waive and release upon this Agreement becoming final, any and all provisions, rights, and benefits 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 OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR;**

or by any law 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 the subject matter of the provisions 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 with respect to the subject matter of the provisions of this Agreement, whether or not concealed or hidden, without regard to the subsequent discovery or existence of such different or additional facts.

17. The release, discharge, and covenant not to sue set forth in this Agreement does not include claims by any of the Releasors other than the Released Claims and does not include

other claims, such as those solely arising out of product liability, contract, or warranty claims in the ordinary course of business.

18. To the extent not already provided completely in the course of discovery or prior settlements, Settling Defendant shall provide no later than 14 days after the motion for preliminary approval is filed the last-known complete contact information for any and all members of the Class within their possession so that the Claims Administrator can properly effectuate Notice. To the extent this data already exists in an easily manipulated electronic format, Settling Defendant will produce it in such format.

**D. Settlement Consideration.**

19. Subject to the provisions hereof and in full, complete and final settlement of the Action as provided herein, Settling Defendant will pay USD\$3,250,000 which, after applicable Taiwan tax, shall result in a total to an Escrow Account in the United States of no less than USD\$2,600,000 as follows: First payment of USD\$435,000 net wired to the United States escrow account within 90 business days of signing this Settlement Agreement; Second payment of USD\$433,000 net wired to the United States escrow account no later than 6 months of the date of signing of this Settlement Agreement (“Second Payment”); Third Payment of USD\$433,000 net wired to the United States escrow account no later than 12 months of the date of signing of this Settlement Agreement (“Third Payment”); Fourth Payment of USD\$433,000 net wired to the United States escrow account no later than 18 months of the date of signing of this Settlement Agreement (“Fourth Payment”); Fifth Payment of USD\$433,000 net wired to the United States Escrow Account no later than 24 months of the date of signing of this Settlement Agreement (“Fifth Payment”); Sixth Payment of USD\$433,000 net wired to the United States Escrow Account no later than 30 months of the date of signing of this Settlement Agreement

(“Sixth Payment”). No funds (other than what may be needed for notice to the class and administration or as otherwise provided herein) will be released from the Escrow Account until the District Court finally approves the Settlement. If the Settlement is not approved, any funds in the Escrow Account shall be returned to the Settling Defendant, including any interest they may have accrued, less Court-approved expenses, such as notice and administration. In the event the Settlement is not approved, the Class will also return any money the Class may have recovered from the Taiwanese government from the withholding tax or, if none has been recovered, the Class will assist API in getting any amounts still held by the Taiwan government refunded. In the event the Taiwanese government refuses to refund any portion of any tax withholding, the Class will not be responsible for that money.

20. Settling Defendant shall assist Co-Lead Counsel and work cooperatively with them to obtain a refund of any taxes paid (estimated to be USD\$650,000) to the Taiwan government on behalf of the Class, unless the Class decides after consultation with CPAs, attorneys or other experts in Taiwan tax law to not pursue such a refund. Such cooperation shall include providing any declaration or document Co-Lead Counsel request for the tax refund request, assisting Co-Lead Counsel with providing the Taiwan Tax Authority any material within API’s possession that the Taiwan Tax Authority requests, and forwarding the entirety of any tax refund API receives to the Class. Additionally, Settling Defendant shall produce within 14 business days after each payment is wired to the United States Escrow Account documentation to the Class confirming the payment of any and all taxes or other monies to the Taiwan government on behalf of the Plaintiffs out of each installment payment of the USD 3,250,000 Settlement Fund. If the Taiwan tax authority issues a finding that the 20% tax is not required under Taiwan law in this case (an appeal has been filed relating to the Gordon, Tong Yang and Jui Li

settlements and a decision should be forthcoming), API shall pay to Plaintiffs the amount that was or would have been paid to the Taiwan Tax authority.

21. Escrow Account

a. The Escrow Account referenced in paragraph 19 will be established at a bank to be designated by the Co-Lead Counsel, with such bank serving as escrow agent (“Escrow Agent”) subject to escrow instructions as agreed by the Settling Parties. Such Escrow Account and any subsequently established escrow accounts are to be administered 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 instruments backed by the full faith and credit of the United States Government or fully insured by the United States Government or an agency thereof, or money market funds 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. Neither Settling Defendant, its counsel, nor Releasees shall have any liability or responsibility for the investment decisions of the Escrow Agent, including any losses due to such decisions.

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 and the settlement made by this Agreement becomes final and not subject to further appeal, excepting only as to direct disbursements as may be authorized by the Court to the extent provided in paragraph 21(h).



d. The Settling Parties agree to treat the Settlement Fund as being at all times one or more “qualified settlement funds” within the meaning of Treas. Reg. § 1.4688-1 and to refrain from taking any action inconsistent with such treatment.

e. For the purpose of § 468B of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder, the “administrator” shall be the Escrow Agent for the Escrow Account and shall promptly take all steps necessary so that the Settlement Fund qualifies as one or more “qualified settlement funds” within the meaning of Treas. Reg. § 1.468B-1. These steps include, without limitation, the following:

- (i) the Escrow Agent shall timely and properly prepare a statement fulfilling the requirements of Treas. Reg. § 1.468B-3(e) on behalf of Settling Defendant; and
- (ii) the Escrow Agent shall timely and properly file all informational and other tax returns necessary or advisable with respect to the Settlement Consideration (including without limitation the returns described in Treas. Reg. § 1.468B-2(k)(1)). Such returns (as well as the election described below) shall be consistent with the provisions of paragraph 21(d).

f. All United States and/or State taxes (including but not limited to any tax withholdings, estimated taxes, interest or penalties) arising with respect to the payment of or income earned by the Settlement Fund (“Taxes”), including any taxes, interest, penalties, or other tax detriments that may be imposed upon Settling Defendant, or any other Releasee with respect to (A) any income earned by the Settlement Fund or (B) the

receipt of any payment under this paragraph 20, in each case for any period during which the Settlement Fund does not qualify as one or more “qualified settlement funds” for federal or state income tax purposes (“Tax Detriments”); and expenses and costs incurred in connection with the operation and implementation of paragraphs 21(d) through 21(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 21(e) (“Tax Expenses”), shall be paid out of the Settlement Fund.

g. Neither Settling Defendant nor its counsel shall have any liability or responsibility for the Taxes, Tax Detriments, or the Tax Expenses. Taxes, Tax Detriments, and Tax Expenses 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, Tax Detriments, and Tax Expenses (as well as any amounts that may be required to be withheld under Treas. Reg. § 1.468B-2(1)(2)). Neither Settling Defendant nor any other Releasee is responsible, nor shall have any liability, therefor. Settling Parties 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 21(d) through 21(g).

h. If this Agreement does not receive final Court approval, or if for any other reason this Agreement terminates, then all amounts paid by Settling Defendant into the Settlement Fund shall be promptly returned to Settling Defendant (consistent with the

obligations in Paragraph 19) from the Escrow Account(s) by the Escrow Agent along with any interest accrued thereon less only any expenses incurred with prior Court approval for taxes, class notice, claims administration, or settlement administration or any other Court-approved expenses incurred by the Settlement Fund.

22. Payment of Expenses

Settling Defendant agrees that, subject to Court approval, any costs incurred in providing any notice of the proposed settlement to the members of the Settlement Class and in claims administration may be paid from the Settlement Fund, which amounts once paid shall not be recoverable by Settling Defendant in the event that this settlement does not become final, is terminated by Settling Defendant, or is rescinded by either party. After this Agreement becomes final within the meaning of paragraph 12, all court-ordered disbursements, including attorneys' fees and litigation costs, may be made from the Settlement Fund. Other than as set forth here and in paragraphs 19-21, neither Settling Defendant, nor any of the other Releasees under this Agreement shall be liable for any of the costs or expenses of the litigation of the Action, including, without limitation, attorneys' fees, fees and expenses of expert witnesses and consultants, and costs and expenses associated with discovery, motion practice, hearings before the Court or any Special Master, appeals, trials or the negotiation of other settlements, or for class administration and costs.

23. Releasors shall look solely to the Settlement Fund for settlement and satisfaction against Releasees of all Released Claims, and shall have no other recovery against API or any other Releasee.

24. After this Agreement becomes final within the meaning of paragraph 12, the Settlement Fund shall be distributed to the members of the Class in accordance with a plan to be

submitted at the appropriate time by Co-Lead Counsel, subject to approval by the Court. This proposed plan of distribution shall be the sole responsibility of Co-Lead Counsel. Settling Defendant shall take no position and shall not file any opposition to, the proposed or actual plan(s) for distribution of the Settlement Fund among the members of the Settlement Class and/or any other person or entity who may assert some claim to the Settlement Fund, except to the extent the terms of any proposed or actual plan of distribution is contrary to the terms of this Agreement. In no event shall any Settling Defendant or any other Releasee under this Agreement have any responsibility, financial obligation, or liability whatsoever with respect to the proposed or actual plan of distribution, or the investment, distribution, or administration of the Settlement Fund, including but not limited to, the costs and expenses of such distribution and administration, with the sole exception of the provisions set forth in paragraphs 19-22 of this Agreement or as ordered by the Court.

25. It is contemplated that counsel for the Class will seek attorneys' fees award(s), reimbursement of costs and expenses (including expert witness fees and expenses), and service awards to the representative plaintiffs. Any attorneys' fees, costs, expenses, and service awards awarded by the Court shall be payable only from the Settlement Fund. Settling Defendant and the other Releasees shall not be liable for any attorneys' fees, costs, expenses, or service awards of any of the representative plaintiffs' or the Class' respective attorneys, experts, advisors, agents or representatives, except as approved by the Court to be paid out of the Settlement Fund. Settling Defendant shall take no position on any application for attorneys' fees, reimbursement of costs and expenses or representative plaintiff service awards. After the entry of any order awarding attorneys' fees, reimbursement of costs and expenses, or representative plaintiff service

awards, the Escrow Agent may, pursuant to paragraph 21, establish and maintain sub-accounts to hold such awards for payment.

26. The procedure for and the allowance or disallowance by the Court of the petitions for awards of attorneys' fees, the reimbursement of costs and expenses and any award of service awards to the representative plaintiffs is to be considered by the Court separately from the Court's consideration of the fairness, reasonableness and adequacy of this Agreement, and any order or proceeding relating to the fee application(s) or any appeal from any such order shall not operate to terminate or cancel this Agreement or affect or delay the finality of the judgment approving the Settlement. Except as expressly provided in this Agreement, neither Settling Defendant nor any other Releasee under this Agreement shall have any responsibility for, or interest in, or liability whatsoever with respect to any payment to counsel for the Class of any fee award in the Action. Neither Settling Defendant nor any other Releasee under this Agreement shall have any responsibility for, or interest in, or liability whatsoever with respect to the allocation among Co-Lead Counsel, and/or any other person or entity who may assert some claim thereto, of any fee award that the Court may make in the Action.

27. Attorneys' fees and expenses awarded by the Court shall be payable from the Settlement Fund upon award, notwithstanding the existence of any filed objections to the settlement, to any award of attorneys' fees and expenses or to any service award, or to any actual, or potential for, appeal therefrom, or collateral attack on the settlement or any part of it, subject to Co-Lead Counsel's obligation to make a full repayment to the Settlement Fund if this Agreement does not become final pursuant to paragraph 12 of this Agreement, or if this Agreement is rescinded pursuant to paragraph 29 of this Agreement or to make appropriate refunds or repayments to the Settlement Fund, if and when, as a result of any appeal and/or

further proceeding on remand, or successful collateral attack, the fee or cost award is reduced or reversed.

28. If any funds remain in the Escrow Account following the above-mentioned payments and distributions, such as uncashed checks after 12 months from the date of issuance, such funds will be distributed pro rata to Class members who submitted valid claims, unless such remaining funds are *de minimis* in that they are insufficient to cover the costs of printing and mailing checks and related claims administration costs and to provide for the payment of \$5 or more to each Class member receiving a distribution, in which event such funds shall be distributed to Class members in connection with the next distribution to the Settlement Class, such as a distribution relating to a settlement with a Non-Settling Defendant or a judgment in favor of the Class. However, if such distribution does not occur, after the conclusion of the Actions, Co-Lead Counsel shall petition the Court for leave to contribute such funds to one or more non-profit organizations to be identified at that time dedicated to protecting and preserving competition in the United States.

**E. Rescission If This Agreement Is Not Approved or Final Judgment Is Not Entered.**

29. If the Court refuses to approve this Agreement or any material part hereof, or if such approval is materially modified or set aside on appeal, or if the Court enters the final approval of this Settlement and appellate review is sought, and on such review, such final approval is not affirmed in its entirety, then within 30 calendar days thereafter, Settling Defendant, and the Class 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 by the rescinding party to counsel to either the Class or Settling Defendant as the case may be within ten (10) business days of the event triggering the right to rescind.

30. In the event that this Agreement is rescinded under paragraph 29, then this Agreement shall be of no force or effect (except as otherwise provided by this Agreement) and any and all parts of the Settlement Fund caused to be deposited in the Escrow Account, including all interest earned on such accounts, shall be returned to Settling Defendant within ten (10) business days of the written notice of the exercise of the right to rescind less only disbursements made pursuant to Court order in accordance with this Agreement and consistent with the obligations in Paragraph 19 regarding the Taiwanese tax withholding. The Settling Parties expressly reserve all of their rights if this Agreement does not become final or is rescinded. Further, and in any event, the Settling Parties agree that this Agreement, whether or not it shall become final, and any and all negotiations, documents, and discussions associated with its negotiation or execution, shall not be deemed or construed to be an admission or evidence of any violation of any statute or law or of any liability or wrongdoing by Settling Defendant or Releasees, or of the truth of any of the claims or allegations contained in the complaints or any other pleadings filed by the Class in the Action, and evidence thereof shall not be discoverable or used directly or indirectly, in any way, whether in the Action or in any other action or proceeding.

**F. Security.**

31. API shall deliver immediately upon signing this Settlement Agreement, a stipulated judgment or similar instrument under Taiwan law (“Stipulated Judgment”) for the full settlement amount, with no credit for prior payments in the event of default. The Stipulated Judgment shall be substantially in the same form of Attachment A (entitled “Supplementary Agreement”), hereto, which is a draft document intended to conform to all the requirements of

Taiwan law to be enforceable against API in the appropriate judicial district where API is located and has assets sufficient to cover the amount of the Stipulated Judgment.

32. If API has good cause to believe that it shall miss any of the payments required under Paragraph 19, then it shall provide notice to Co-Lead Counsel no later than 14 days before the payment is due. If API provides such notice, Co-Lead Counsel shall grant API a reasonable extension of the payment due date not to exceed 30 days. If API misses any payment due under Paragraph 19, Co-Lead Counsel shall give prompt notice to API, who shall have 5 business days to cure the omission. If API fails to cure the omission, then the Class shall be entitled to retain the funds paid to the date of the missed payment. API will be liable for the entire amount of the Stipulated Judgment, notwithstanding those amounts retained by the Class. Additionally, API shall not be entitled to a dismissal with prejudice from the Action until all payments are made up to the entire Settlement Fund, and until then shall be subject to continued litigation if any payment is not timely made.

**G. Miscellaneous.**

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

34. The Parties to this Agreement contemplate and agree that, prior to final approval of the Settlement as provided for in paragraph 12 of this Agreement, appropriate notice will be given to the members of the Class: (1) of the Settlement; (2) of a hearing at which the Court will consider the approval of this Agreement; and (3) that the members of the Class may be permitted to object to the settlement.



35. This Agreement does not settle or compromise any claim by the Class against any defendant or alleged co-conspirator other than Settling Defendant and the Releasees. All rights against such other Defendants or alleged co-conspirators are specifically reserved by the Class.

36. Neither this Agreement, nor any act performed or document executed pursuant to or in furtherance of this Agreement, is or may be deemed to be or may be used as an admission of, or evidence of (i) the validity of any claim or defense; or (ii) the appropriateness or inappropriateness of any class or other representational capacity whether contemporaneously with this Agreement or at any time in the future.

37. Except as otherwise set forth herein, this Agreement shall not affect whatever rights the Releasors or any of them may have (i) to participate in or benefit from any relief or recovery as part of a judgment or settlement in this Action against any other party named as a defendant (other than Settling Defendant, or any other any other Releasee); or (ii) to assert any claim referred to in paragraph 17 above.

38. The United States District Court for the Eastern District of Wisconsin 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 the Settling Parties. This Agreement shall be construed according to the laws of the State of California without regard to its choice of law or conflict of laws principles.

39. This Agreement shall be binding upon, and inure to the benefit of, the successors and assigns of the Settling Parties. Without limiting the generality of the foregoing, each and every covenant and agreement made herein by the Class shall be binding upon all classes and

Releasers. The Releasees (other than Settling Defendant which is a party hereto) are third party beneficiaries of this Agreement and are authorized to enforce its terms applicable to them.

40. This Agreement may be executed in counterparts by the Class and Settling Defendant and a facsimile signature shall be deemed an original signature for purposes of executing this Agreement.

41. Neither the Class nor Settling Defendant shall be considered to be the drafters 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 drafters of this Agreement.

42. The descriptive headings of any paragraphs or sections of this Agreement are inserted for convenience only and do not constitute a part of this Agreement.

43. 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, electronic mail, or letter by overnight delivery to the undersigned counsel of record for the party to whom notice is being provided. If Settling Defendant is the party to whom notice is being provided, such notice shall also be provided to: Jack Hsieh (Email: [mfg0001@apautoparts.com.tw](mailto:mfg0001@apautoparts.com.tw)) No.456, Sec.2, Kwoling Rd., 7 Lin, Kwoling Li, Jhongli Dist., Taoyuan City 32050, Taiwan (R.O.C.) and Jason Chiu (Email: [hw408@apautoparts.com.tw](mailto:hw408@apautoparts.com.tw)) No.456, Sec.2, Kwoling Rd., 7 Lin, Kwoling Li, Jhongli Dist., Taoyuan City 32050, Taiwan (R.O.C.).

44. The Settling Parties and their counsel agree to do anything reasonably necessary to effectuate the performance of and uphold the validity and enforceability of, this Agreement.

45. 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 on behalf of the Settling Parties he or she represents.

Agreed:

By: \_\_\_\_\_  
Ron Finley, counsel for  
Settling Defendant, as to FORM ONLY

Date: \_\_\_\_\_

By: Jack Hsieh  
AP Auto Parts Industrial, Ltd. and  
Cornerstone Auto Parts LLC

Date: 08/04/2019

By: \_\_\_\_\_  
Vincent Esades, Co-Lead Counsel for  
Direct Purchaser Plaintiffs

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Jason S. Hartley, Co-Lead Counsel for  
Direct Purchaser Plaintiffs

Date: \_\_\_\_\_