

SETTLEMENT AGREEMENT

Lijie Mao and Dave Perozzo (“**Plaintiffs**”) on the one hand, and Nissan North America, Inc. (“**NNA**”) and Nissan Canada Inc. (“**NCI**”) (together, “**Nissan**”) on the other hand (collectively, Plaintiffs and Nissan shall be referred to as the “**Parties**”), by and through their counsel of record enter into this Settlement Agreement, providing for settlement of all claims asserted or which could have been asserted in the two class action lawsuits described below relating to Class Vehicles defined below, pursuant to the terms and conditions set forth below, and subject to the approval of the Court, described below.

WHEREAS, the Plaintiffs collectively are parties in the following putative class action lawsuits alleging that certain Nissan vehicles contain a defect in the continuously variable transmission (“**CVT**”) which can lead to poor transmission performance or failure, and asserting various breach of warranty, statutory, and common law theories of liability:

- *Lijie Mao v. Nissan Canada Inc. and Nissan North America, Inc.*, Ontario Superior Court of Justice Court File No. CV-19-00003730-00CP, proceedings commenced at Brampton, which proceedings cover the following Class Vehicles: 2013-2016 Nissan Altima and 2013-2017 Nissan Juke;
- *Dave Perozzo v. Nissan Canada Inc. and Nissan North America, Inc.*, Ontario Superior Court of Justice Court File No. CV-20-00083710-00CP, proceedings commenced at Ottawa, which proceedings cover the following Class Vehicles: 2013-2017 Nissan Sentra, 2012-2014 Nissan Versa, and 2014-2017 Nissan Versa Note;

WHEREAS, Nissan has denied and continues to deny all of the Plaintiffs’ claims related to the CVTs in their vehicles, denies all allegations of wrongdoing, fault, liability, or damage of any kind to Plaintiffs or the Settlement Class (as defined below), denies that it acted improperly or wrongfully in any way, and believes that this litigation is without merit;

WHEREAS, the Parties to this Settlement Agreement conducted extensive investigation and discovery into the claims and defenses in this case;

WHEREAS, while the Plaintiffs and their counsel believe that the claims asserted in the Actions have merit, and that such claims could have been successful at trial, they recognize the costs and risks of prosecuting this litigation and believe that it is in the interest of all members of the Settlement Class to resolve finally and completely the pending and potential claims of the Plaintiffs and the Settlement Class against Nissan on the terms as agreed;

WHEREAS, although Nissan believes those lawsuits have no merit, it has concluded that settlement is desirable as a further commitment to its customers, to ensure the satisfaction of its customers, to preserve and enhance goodwill with its customers, including the Plaintiffs, and to end further litigation of the claims in the lawsuits related to Class Vehicles, which could be protracted, burdensome and expensive for both the Plaintiffs and Nissan;

WHEREAS, Plaintiffs' counsel and Nissan's Counsel conducted arm's length settlement negotiations;

WHEREAS, Nissan has agreed to class treatment of the claims alleged in the Actions, solely for the purpose of effectuating a compromise and settlement of those claims on a class basis, and denies that the Actions could properly proceed on a class basis for purposes of certification or trial.

NOW, THEREFORE, the undersigned Parties stipulate and agree, subject to the approval of the Court, that all claims of the Plaintiffs and Class Members against Nissan shall be finally settled, discharged, and resolved on the terms and conditions as set forth below.

DEFINITIONS

1. As used in this Settlement Agreement, the following terms shall have the defined meanings set forth below. Where appropriate, terms used in the singular shall be deemed to include the plural and vice versa.

A. “**Actions**” means, collectively, the *Mao* Action and the *Perozzo* Action.

B. “**Appropriate Contemporaneous Documentation of Nissan Diagnosis**” means the original, or a true and correct copy, of written documentation created by an Authorized Nissan Dealer at or near the time of the Nissan dealer’s diagnosis and recommendation, within the Warranty Extension Period, establishing that such diagnosis and recommendation occurred on a specific date and at a specific mileage.

C. “**Appropriate Contemporaneous Documentation of Qualifying Repair**” means the original, or a true and correct copy, of written documentation created by an Authorized Nissan Dealer or other non-Nissan automotive repair facility at or near the time of a Qualifying Repair and as part of the same transaction, establishing that a Class Vehicle had a Qualifying Repair on a specific date and at a specific mileage.

D. “**Approval Hearing**” means the approval hearing(s) scheduled by the Court to determine whether to approve this Settlement Agreement, and to award Lawyers’ Fees and Expenses.

E. “**Approval Notice**” means the English and French notices of the Approval Order published and disseminated to the Settlement Class, in a form to be approved by the Court. The Approval Notice shall state the Claims Period Deadline.

F. “**Approval Notice Date**” means the date on which the Settlement Administrator completes mailing and emailing of the Approval Notice or other such Court required notice to the Settlement Class, which the Parties and Settlement Administrator will use best efforts to effect no later than ninety (90) days from the Court’s Approval Order.

G. “**Approval Order**” means the Court’s order(s) and/or judgment(s) approving the Settlement Agreement and approving the Lawyers’ Fees and Expenses.

H. “**Arbitrator**” means one or more persons appointed to serve as an arbitrator for purposes of paragraphs 1.Z and 41.

I. “**Authorized Nissan Dealer**” means any authorized Nissan brand dealer located in Canada as evidenced by a valid dealer sales and service agreement.

J. “**Authorized Reimbursement Participant**” means any Class Member who has satisfied the Criteria for Reimbursement and, if the Class Member is a former owner who also meets the Criteria for a Voucher for the same Class Vehicle, has elected to receive reimbursement of a Qualifying Repair instead of a Voucher. Status or rights as an Authorized Reimbursement Participant are not transferable.

K. “**Authorized Voucher Participant**” means any Class Member who has satisfied the Criteria for a Voucher and, if the Class Member also meets the Criteria for Reimbursement for the same Class Vehicle, has not elected to be an Authorized Reimbursement Participant. Status or rights as an Authorized Voucher Participant are not transferable.

L. “**Claimant**” means a Class Member, or a Class Member’s estate or legal representative, who completes and submits a timely Claim Form.

M. “**Claim Form**” means the claim form, substantially in the form set forth in Exhibit “B” to this Settlement Agreement, which must be timely completed and submitted by a Claimant in order to meet, in part, the Criteria for Reimbursement under the terms of this Settlement Agreement.

N. “**Claims Period**” means the time within which a Class Member must submit a Claim Form. The Claims Period shall commence on the Approval Notice Date and end at a date certain ninety (90) days after the Approval Notice Date or thirty (30) days after a Qualifying Repair, whichever is later.

O. “**Claims Period Deadline**” means the deadline for a Claim Form to be sent via mail or an online claims portal hosted by the Settlement Administrator by a Claimant, which shall be ninety (90) days after the Approval Notice Date.

P. “**Class Counsel**” means Investigation Counsel P.C. with respect to the following Class Vehicles: 2013-2016 Nissan Altima and 2013-2017 Nissan Juke, and means Merchant Law Group LLP with respect to the following Class Vehicles: 2013-2017 Nissan Sentra, 2012-2014 Nissan Versa, and 2014-2017 Nissan Versa Note, being the listed solicitors of record in the Actions.

Q. “**Class Members**” means all persons who are members of the Settlement Class, except those who validly and timely request to opt out from the Settlement Class pursuant to Paragraphs 50 to 512.

R. “**Class Vehicles**” means 2013-2016 Nissan Altima, 2013-2017 Nissan Sentra, 2014-2017 Nissan Versa Note, 2012-2014 Nissan Versa or 2013-2017 Nissan Juke vehicles originally sold or leased in Canada equipped with a CVT, and that were at any time registered in Canada with a provincial ministry of transportation or an equivalent agency, excluding Quebec, prior to the date the Actions are certified.

S. “**Court**” means the Superior Court of Justice in Ontario.

T. “**Criteria for a Voucher**” means the criteria that a Class Member must satisfy in order to be eligible to receive a Voucher pursuant to the terms of this Settlement Agreement, which are: (1) the Class Member must be a former owner of a Class Vehicle as of the Approval Notice Date; and (2) NCI warranty records reflect that, during the time that the Class Member owned the Class Vehicle, the Class Vehicle had two or more replacements or repairs to the transmission

assembly (including torque converter and/or valve body) and/or Automatic Transmission Control Unit (“ATCU”). Prior software updates and/or reprogramming do not count as a prior repair.

U. **“Criteria for Reimbursement”** means the criteria that a Class Member must satisfy in order to be eligible to receive a reimbursement for a Qualifying Repair pursuant to the terms of this Settlement Agreement, which are: (1) the Class Member must be a current or former owner or lessee of a Class Vehicle as of the Approval Notice Date; (2) the Class Member actually paid for a Qualifying Repair; and (3) the Class Member must submit to the Settlement Administrator within the applicable Claims Period (a) a properly completed Claim Form with a proper Vehicle Identification Number (“VIN”); (b) an affirmation that the Class Member (i) is a current or former owner or lessee of the Class Vehicle identified on the Claim Form and (ii) is not seeking reimbursement for any portion of the Qualifying Repairs previously paid for by Nissan or by an extended warranty or service contract provider; and (c) all necessary supporting documentation which is:

- A. Appropriate Contemporaneous Documentation of Qualifying Repair establishing that (i) a Qualifying Repair was made; (ii) the Class Member paid for the Qualifying Repair; (iii) the amount paid for the Qualifying Repair; (iv) the vehicle’s mileage at the time of the Qualifying Repair; and (v) the date of the Qualifying Repair.
- B. Additionally, for a Qualifying Repair made after expiration of the Warranty Extension but within the time frame described in Paragraph 13, Appropriate Contemporaneous Documentation of Nissan Diagnosis establishing that (i) an Authorized Nissan Dealer diagnosed and recommended a repair to the transmission assembly or ATCU; (ii) the vehicle’s mileage at the time of the diagnosis and recommendation was within the Warranty Extension Period; and (iii) the date on which the diagnosis and recommendation was made which was within the Warranty Extension Period.

V. **“Effective Date of Settlement”** means thirty (30) days after the date of the Approval Order, unless any appeals are taken from any Approval Order, in which case it is the date upon

which all appeals have been fully disposed of on the merits in a manner that affirms the subject Approval Order, or a date after the settlement approval date that is agreed to in writing by the Parties.

W. **“Event of Termination”** means any event terminating the Settlement Agreement, including but not limited to: (1) mutual written agreement of the Parties to terminate the Settlement Agreement; (2) the Court denying any motion for approval of the Settlement Agreement; (3) any reviewing Court reversing the Court’s Approval Order; or (4) any other event set forth in this Settlement Agreement according to which the Settlement Agreement would be terminated.

X. **“Excluded Claims”** means (1) claims for personal injury, wrongful death, or physical damage to property other than a Class Vehicle or its component parts and (2) Future Transmission Claims.

Y. **“Excluded Persons”** means Nissan and their officers, directors and their respective heirs, successors and assigns; residents of the Province of Quebec; and, Federal and Provincial Governments who purchased Class Vehicles directly from NCI.

Z. **“Expedited Resolution Process”** means the required process for addressing any Future Transmission Claims, as well as any warranty claims or disputes relating to or involving, in whole or in part, allegations related to the transmission in a Class Vehicle, which process is described in more detail in Exhibit “A” to this Settlement Agreement. No Class Member may participate as a class representative or class member in any class claim against Nissan or any of the Released Parties related to claims covered by the Expedited Resolution Process.

AA. **“Future Transmission Claims”** means claims for breach of the New Vehicle Limited Warranty, as modified by the Warranty Extension, related to transmission design, manufacturing or performance based solely on events that occur after the Approval Notice Date. No such claim will be

deemed to have accrued after the Approval Notice Date, and a Class Member shall not have standing to assert any claim against Nissan for breach of the New Vehicle Limited Warranty as modified by the Warranty Extension, unless the Class Member, after the Approval Notice Date, takes his or her Class Vehicle to an Authorized Nissan Dealer and requests warranty coverage for a claimed defect in the transmission under the New Vehicle Limited Warranty and NCI fails to comply with the terms of the New Vehicle Limited Warranty. A claim based, in whole or in part, on any transmission performance problem, repair or repair attempt, or any other conduct or event before the Approval Notice Date is not a Future Transmission Claim but is a Released Claim. Future Transmission Claims must be based entirely upon transmission performance issues, repairs or repair attempts, or any other conduct or events that occur after the Approval Notice Date. However, the fact that a Class Member experienced a transmission problem before the Approval Notice Date shall not preclude such Class Member from making a Future Transmission Claim based solely on events that occur after the Approval Notice Date.

BB. “**Lawyers’ Fees and Expenses**” means the reasonable legal fees and disbursements of Class Counsel, plus applicable taxes, approved by the Court or on any appeal therefrom, incurred in connection with this Settlement Agreement and prosecuting the claims in the Actions, for payment to Class Counsel.

CC. “**Mao Action**” means *Lijie Mao v. Nissan Canada Inc. and Nissan North America, Inc.*, Ontario Superior Court of Justice Court File No. CV-19-00003730-00CP, proceedings commenced at Brampton.

DD. “**NCI**” means Nissan Canada Inc.

EE. “**New Vehicle Limited Warranty**” means the written limited warranty described in the Warranty Information Booklet applicable to the Class Vehicles, and all of its terms and conditions, including applicable limitations and exclusions.

FF. “**Nissan**” means Nissan Canada Inc. and Nissan North America, Inc.

GG. “**Nissan’s Counsel**” means:

Borden Ladner Gervais LLP
East Tower, Bay Adelaide Centre
22 Adelaide Street West, Suite 3400
Toronto, ON M5H 4E3

Glenn Zakaib (LSO No. 23320F)
Tel: 416.367.6664
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HH. “**NNA**” means Nissan North America, Inc.

II. “**Notice and Settlement Administration Expenses**” means all reasonable costs and expenses incurred, as satisfactory to Nissan, plus applicable taxes, in connection with preparing, printing, and mailing the Pre-Approval Notice, Approval Notice and any costs incurred in administering the settlement.

JJ. “**Parties**” means Nissan and Plaintiffs.

KK. “**Perozzo Action**” means *Dave Perozzo v. Nissan Canada Inc. and Nissan North America, Inc.*, Ontario Superior Court of Justice Court File No. CV-20-00083710-00CP, proceedings commenced at Ottawa.

LL. “**Plaintiffs**” means Lijie Mao and Dave Perozzo.

MM. **“Pre-Approval Hearing”** means the pre-approval hearing(s) scheduled by the Court to determine whether to certify the Settlement Class for settlement purposes, approve the Pre-Approval Notice and appoint the Settlement Administrator.

NN. **“Pre-Approval Notice”** means the English and French versions of the summary and long-form notices published and disseminated to the Settlement Class in accordance with the Pre-Approval Order.

OO. **“Pre-Approval Notice Date”** means the date on which the Settlement Administrator completes mailing or emailing of the summary form of the Pre-Approval Notice or other such Court required Pre-Approval Notice to the Settlement Class.

PP. **“Pre-Approval Order”** means the Court’s order and/or judgment certifying the class proceedings for settlement purposes only, approving the Pre-Approval Notice and appointing the Settlement Administrator.

QQ. **“Qualifying Repair”** means the portion of the cost for parts and labor actually paid by a Class Member for replacement of or repair to the transmission assembly (including valve body and torque converter) and/or ATCU by an Authorized Nissan Dealer or other non-Nissan automotive repair facility which were completed, other than in the circumstances contemplated by paragraph 13, prior to the Approval Notice Date, and within the applicable time and mileage limits specified by Paragraphs 12 and 13.

RR. **“Related Parties”** means NNA, NCI, Nissan Motor Co., Ltd., JATCO, Ltd., and, for each of such corporations, all of their past and present officers, directors, agents, designees, servants, sureties, lawyers, employees, parents, associates, shareholders, general or limited partners or partnerships, subsidiaries, divisions, affiliates, insurers, franchises, suppliers, dealers, and all of their predecessors or successors in interest, assigns, or legal representatives, as well as

any other person, company, or entity in the chain of distribution of a Class Vehicle, transmission components of such Class Vehicle, or repair of the transmission in such Class Vehicle.

SS. “**Released Claims**” means and includes any and all claims, demands, rights, damages, obligations, suits, debts, liens, contracts, agreements, actions or causes of action of every nature and description whatsoever, ascertained or unascertained, suspected or unsuspected, accrued or unaccrued, existing or claiming to exist, including those unknown, both at law and equity which have been brought, which might have been brought, and which might be brought in the future upon the happening of certain events, against the Released Parties, or any of them, based upon or in any way related to transmission design, manufacturing, performance, or repair of Class Vehicles, including but not limited to all claims asserted in the Actions, whether based upon breach of contract, violation of a duty sounding in tort, violation of any provincial or federal statute or regulation, violation of any provincial or federal consumer protection statute or regulation, fraud, unjust enrichment, money had and received, restitution, equitable relief, punitive or exemplary damages and civil penalties and fines or any other claims whatsoever under federal or provincial law. The Released Claims shall explicitly extend to and include any claim for lawyers’ fees, expenses, and costs. The Released Claims do not include Excluded Claims. Notwithstanding the foregoing, this Settlement Agreement does not release any claims for wrongful death or personal injury.

TT. “**Released Parties**” means Nissan and all Related Parties.

UU. “**Settlement Administrator**” means RicePoint Administration Inc. or such other third party administrator to which the Parties shall mutually agree, to handle the notice program, opt-out and objections, and claims administration process.

VV. “**Settlement Agreement**” means the agreement between the Parties, as embodied in this Settlement Agreement, including all exhibits attached to the Settlement Agreement.

WW. “**Settlement Class**” means all persons in Canada (except Excluded Persons) who own, owned, lease or leased a Class Vehicle.

XX. “**Settlement Website**” means, collectively, the bilingual public Internet websites described in paragraph 267, to which the Pre-Approval Notice and/or Approval Notice may be posted.

YY. “**Voucher**” is a certificate in the amount as described in Paragraph 15 that may be used by an Authorized Voucher Participant towards the purchase or lease of a single new Nissan or Infiniti vehicle at an Authorized Nissan Dealer within nine (9) months of the Effective Date of Settlement. The Voucher is not transferrable. The Voucher may be used in combination with other types of valid discount offers, rebates, and incentives.

ZZ. “**Warranty Extension**” means extension of the time and mileage durational limits applicable to powertrain coverage under the applicable New Vehicle Limited Warranty, but only as to the transmission assembly (including the valve body and torque converter) and ATCU on Class Vehicles, by twenty-four (24) months or forty thousand (40,000) kilometers, whichever occurs first as set out in paragraphs 10 to 11.

AAA. “**Warranty Extension Period**” means that period of twenty-four (24) months or forty thousand (40,000) kilometers after the original powertrain coverage in the New Vehicle Limited Warranty (sixty (60) months or one-hundred thousand (100,000) kilometres, whichever occurs first), has expired.

REQUIRED EVENTS

Promptly after the execution of this Settlement Agreement:

2. Plaintiffs will take no further action in the Actions pending settlement approval, but will inform the Court of the pending settlement on behalf of a class for which approval will be

sought that would include resolution of their cases, and may seek a formal stay or similar administrative relief if necessary or required by the Court.

3. In advance of a motion for settlement approval, Class Counsel shall bring a motion for Pre-Approval in their respective Action and shall request that the Court:

- A. Certify the Settlement Class for settlement purposes only;
- B. Appoint a Settlement Administrator; and
- C. Approve the Pre-Approval Notice to be given to the Settlement Class advising them of the settlement and of the Approval Hearing.

4. Class Counsel shall make best efforts to file a motion for settlement approval in their respective Action by February 18, 2022. In their motion for settlement approval, Plaintiffs will submit the Settlement Agreement to the Court and shall request that the Court:

- A. Approve the terms of the Settlement Agreement; and
- B. Approve the Approval Notice; and receive and review for approval the proposed Lawyers' Fees and Expenses for their respective Action.

5. No later than fourteen (14) days before the date for the Approval Hearing, Class Counsel will file its motion material for the Approval Hearing requesting that the Court enter an Order, in substantially the same form attached to this Settlement Agreement as Exhibit "E," which will, among other things, dismiss the Actions with prejudice as to Nissan, subject to the continuing jurisdiction of the Court as set forth in Paragraph 62, approve the Settlement Agreement and render an award of Lawyers' Fees and Expenses and representative plaintiff awards. Class Counsel and Nissan's Counsel shall also be entitled to file responses to any objections that have been filed, which responses shall be filed fourteen (14) days prior to the date set in the Pre-Approval Notice.

6. Five (5) days after the Effective Date of Settlement, Plaintiffs in the Actions will take all further necessary actions to have those cases and any associated appeals dismissed with prejudice.

7. The Parties acknowledge that prompt approval, consummation, and implementation of the Settlement Agreement are essential. The Parties shall cooperate with each other in good faith to carry out the purposes of and effectuate this Settlement Agreement, shall promptly perform their respective obligations hereunder, and shall promptly take all actions and execute and deliver all additional documents and all other materials and/or information reasonably necessary or appropriate to carry out the terms of this Settlement Agreement and the transactions contemplated hereby.

8. This Settlement Agreement shall be null and void and of no force and effect unless an Approval Order is granted by the Court and the Effective Date of Settlement occurs.

9. In the event that the Court fails to grant approval or fails to issue an Approval Order, Class Counsel and Nissan's Counsel agree to use all reasonable efforts, consistent with this Settlement Agreement, to address and resolve any concerns identified by the Court.

RELIEF TO CLASS MEMBERS

10. As of the Approval Notice Date, NCI agrees to extend the time and mileage durational limits for powertrain coverage under the applicable New Vehicle Limited Warranty for Class Vehicles to the extent it applies to the transmission assembly (including the valve body and torque converter) and ATCU by 24 months or 40,000 kilometres whichever occurs first.

11. The Warranty Extension will be subject to the terms and conditions of the original New Vehicle Limited Warranty applicable to the Class Vehicle, which excludes

coverage for, among other things, damage resulting from alteration, tampering, improper repair, misuse, environmental conditions, and lack of or improper maintenance.

12. Reimbursement for all Class Members who are Authorized Reimbursement Participants for Qualifying Repairs made after expiration of the powertrain coverage under the Nissan New Vehicle Limited Warranty but within the durational limits of the Warranty Extension Period as described in Paragraph 1.AAA shall be made as follows:

- A. For Qualifying Repairs on Class Vehicles that were performed by an Authorized Nissan Dealer, reimbursement of 100% of the parts and labor actually paid by the Class Member.
- B. For Qualifying Repairs on Class Vehicles that were performed by a non-Nissan automotive repair facility, reimbursement up to a cap of \$6,000 of the parts and labor actually paid by the Class Member.

13. Class Members who present Appropriate Contemporaneous Documentation of Nissan Diagnosis to the Settlement Administrator establishing that a Nissan dealer, within the Warranty Extension Period, diagnosed and recommended a repair to the transmission assembly or ATCU, will be entitled to submit a claim for reimbursement for the Qualifying Repair diagnosed and recommended by the Nissan Dealer during the Warranty Extension Period under Paragraph 33, subject to the limitations in Paragraph 12, but only if the Class Member obtains the recommended transmission repair prior to the Class Vehicle exceeding 155,000 kilometers or within ninety (90) days of the Approval Notice Date, whichever occurs first.

14. The mileage on the Class Vehicle as it relates to the Criteria for Reimbursement shall be determined as of the date of the Qualifying Repair as reflected in the Appropriate Contemporaneous Documentation of Qualifying Repair. A Class Member may make only a single claim for reimbursement per VIN, but the claim for reimbursement may

include both diagnosis and repair costs, if applicable, and may include multiple Qualifying Repairs.

15. For former owners of Class Vehicles who meet the Criteria for a Voucher, NCI agrees to provide a Voucher in the amount of \$1,300 for either a purchase or lease of a single new Nissan or Infiniti vehicle so long as the Authorized Voucher Participant purchases or leases a new Nissan or Infiniti vehicle within nine (9) months of the Effective Date of Settlement. The Voucher may be used in combination with other types of valid discount offers, rebates, and incentives.

16. No single Class Member will be entitled to more than an aggregate of five Vouchers regardless of the total number of eligible vehicles purchased by that Class Member.

17. If a former owner of a Class Vehicle is also eligible for reimbursement of a Qualifying Repair on the same vehicle, the former owner must elect either the Voucher or reimbursement, but may not receive both benefits.

NOTICE TO THE SETTLEMENT CLASS

18. The Settlement Administrator shall be responsible for implementing the Pre-Approval Notice and Approval Notice to the Settlement Class in the manner described in this Settlement Agreement.

19. Dissemination of the Pre-Approval Notice and Approval Notice to the Settlement Class shall be accomplished as described in Paragraphs 24-267. The Settlement Administrator shall be responsible for: (i) mailing and/or emailing of the summary Pre-Approval Notice, and (ii) responding to requests for the Pre-Approval Notice. All Notice and Settlement Administration Expenses shall be paid by NCI.

20. The Settlement Administrator shall sign a confidentiality agreement in a form agreed to by Class Counsel and Nissan's Counsel, which shall provide that the names, addresses and other information about specific Class Members provided by either Class Counsel, NCI or by individual Class Members, shall all be treated as confidential and shall be used by the Settlement Administrator only as required by this Settlement Agreement.

21. The Parties agree the names and addresses, or other identifying information, of Class Members shall not be provided to Class Counsel by NCI, Nissan's Counsel, or the Settlement Administrator, except that, in order to allow Class Counsel to respond effectively and efficiently to inquiries to Class Counsel from specific Class Members. The Settlement Administrator shall upon request provide Class Counsel with the Claim Form submitted by the inquiring Class Member, supporting documentation submitted by the inquiring Class Member, and communications between the Settlement Administrator and the inquiring Class Member.

22. Notwithstanding Paragraph 21, information concerning the claims for reimbursement of a Qualifying Repair made pursuant to Paragraph 33 may be provided by the Settlement Administrator to Class Counsel or Nissan's Counsel to the extent it is necessary and as provided in Paragraphs 40 and 41.

23. NCI will provide the Settlement Administrator with VIN and in-service date information for all Class Vehicles.

24. The Settlement Administrator shall send a summary form of the Pre-Approval Notice by email and pre-paid regular mail to all potential Class Members (i) for whom NCI has an email or valid mailing address, and (ii) who have contacted Class Counsel and provided an email or mailing address. The summary form and long-form of the Pre-Approval Notice shall be substantially in the same form as the exemplars submitted as Exhibits

“C” and “D” to this Settlement Agreement, as approved by the Court. The Settlement Administrator shall also cause any other elements of the Pre-Approval Notice (including activation of the Settlement Website) to take place on or about the Pre-Approval Notice Date.

25. On the Approval Notice Date, the Settlement Administrator shall send a summary form of the Approval Notice by email and pre-paid regular mail to all potential Class Members (i) for whom NCI has an email or valid mailing address, and (ii) who have contacted Class Counsel and provided an email or mailing address.

26. The Settlement Administrator shall disseminate the Pre-Approval Notice and the Approval Notice as follows:

1) National press release in English and French (400 words in English / 600 words in French), distributed nationally and regionally in Canada (excluding Quebec);

2) Online news publications, including:

- a) NationalPost.com;
- b) GlobeandMail.com;
- c) TorontoStar.com;
- d) VancouverSun.com;

3) Print news publications, consisting of quarter-page ads in the Front/News section on a Saturday of the following papers:

- a) National Post;
- b) Globe and Mail;
- c) Toronto Star;
- d) Vancouver Sun.

27. The Settlement Administrator shall create and maintain the dedicated bilingual Settlement Website for information about this Settlement Agreement, on which the Settlement Administrator will make available for download in portable document format (1) the summary and long-form Pre-Approval Notice and Approval Notice as approved by the

Court and (2) other documents and pleadings filed by the Parties in connection with the Settlement. The Settlement Administrator will also provide the address of the Settlement Website in the Pre-Approval Notice and Approval Notice, maintain a toll-free number and an email address for Class Members to seek answers to questions about the Settlement, and provide a reference to the toll-free number and email address in the Pre-Approval Notice and Approval Notice.

28. No later than thirty (30) days prior to the date of the Approval Hearing in the Pre-Approval Notice, the Settlement Administrator shall provide Class Counsel and Nissan's Counsel with an affidavit (which Class Counsel will then provide to the Court), affirming that the Pre-Approval Notice was disseminated in a manner consistent with the terms of this Settlement Agreement, or those otherwise required by the Court.

29. The Pre-Approval Notice and Approval Notice, the Settlement Website, and the permitted response to inquiries in Paragraph 30, will be the only type of notice to the public or Class Members about the Settlement, and Plaintiffs may not advertise or publicize the Settlement by any other means, with the exception that Class Counsel will be permitted to communicate with those Class Members already known to their respective firms, and may put notification on their firms' websites (a) advising of the settlement and (b) directing potential class members to the Settlement Website.

30. Class Counsel and Nissan's Counsel will be permitted to respond to inquiries from reporters regarding this matter but only with a jointly prepared or coordinated response. In any such jointly prepared or coordinated response or any other communication with reporters or media resources, Class Counsel may not suggest that the Actions caused or forced the settlement, or make any other similar statements suggesting that the settlement

indicates that the Actions had merit or did not have merit, or that the settlement is an admission or indication of liability or a concession of lack of merit. In no event may Plaintiffs, Class Counsel, or their agents or representatives initiate communication with reporters or any other media sources.

31. Nothing in this Settlement Agreement shall prevent (1) Nissan from communicating with its dealers and/or customers (including owners or lessees of Class Vehicles) at any time for purposes of customer satisfaction, as Nissan generally communicates with its dealers and/or owners/lessees in the ordinary course of its business, or (2) Class Counsel from responding to inquiries from Class Members.

32. Nothing in this Settlement Agreement shall prevent Nissan from communicating, and it is contemplated that Nissan may communicate, with its dealers and customers (including owners and lessees of Class Vehicles) advising them of the Warranty Extension, and NCI may indicate the Warranty Extension is being provided as a customer satisfaction effort to address customer concerns, including those expressed by the named Plaintiffs in the Actions. NCI's official communications to its dealers and owners/lessees will explain that the provision of the Warranty Extension is subject to final approval of the Settlement Agreement. Prior to final approval, NCI may at its option in the interim provide Warranty Extension coverage to its customers, and pay dealers for making repairs that would be covered by the Warranty Extension. In the event settlement approval does not occur, Class Members will not be obligated to reimburse NCI for the costs of repairs made and NCI will not be obligated to provide the Warranty Extension regardless of providing the benefit to customers in the interim. In its communication notifying Class Members of the Warranty

Extension, NCI will include a statement advising owners that if they have concerns about the diagnosis of their vehicle, they can request the dealer to contact NCI.

REIMBURSEMENT CLAIMS ADMINISTRATION AND PROCEDURE

33. Class Members who believe they are eligible to receive reimbursement for a Qualifying Repair or receive a Voucher will be directed to fill out and send to the Settlement Administrator the Claim Form, in substantially the form attached to this Settlement Agreement as Exhibit "B", or in another form as proposed by the Settlement Administrator and agreed to by Class Counsel and Nissan, and all necessary supporting documentation to qualify as an Authorized Reimbursement Participant or Authorized Voucher Participant. Qualifying Class Members will receive payment via cheque by mail.

34. Non-contemporaneous documentation, such as post hoc statements by mechanics or Claimants shall not be considered to augment Appropriate Contemporaneous Documentation of Qualifying Repair or Appropriate Contemporaneous Documentation of Nissan Diagnosis.

35. The Claim Form and supporting documentation may be sent to the Settlement Administrator via mail or an online claims portal hosted by the Settlement Administrator on the Settlement Website, as provided in Paragraph 37, or any other form as proposed by the Settlement Administrator and agreed by Class Counsel and Nissan. Upon receiving a Claim Form from a Claimant, the Settlement Administrator will review the documentation and confirm or deny the Class Member's eligibility as an Authorized Reimbursement Participant or Authorized Voucher Participant.

36. The Claim Form, in substantially the form attached to this Settlement Agreement as Exhibit "B," will be presented to the Court for approval.

37. All Claim Forms must be submitted by the Claims Period Deadline. Any Class Member who fails to submit a Claim Form by the Claims Period Deadline shall be forever barred from receiving any payment pursuant to this Settlement Agreement, and shall in all other respects be bound by the terms of this Settlement Agreement and by the Approval Order entered in the Actions. Class Members may not submit on appeal any new Claim Form or necessary supporting documentation described in Paragraph 33. If a Claim Form is mailed and received with a postmark or other evidence of the date of mailing indicated on the envelope by the postal service or other independent carrier, the Claim Form shall be deemed to have been submitted on the date of the postmark. If a Claim Form is transmitted via the online claims portal hosted by the Settlement Administrator, it shall be deemed to have been submitted on the date it was uploaded to the portal. In all other cases, the Claim Form shall be deemed to have been submitted when actually received by the Settlement Administrator or its designee.

38. The Settlement Administrator shall contact a Class Member via mail or email one time to advise the Class Member that their claim is deficient and to request additional information or supporting documentation if a Claim Form is incomplete. The Settlement Administrator has no further affirmative obligation to request additional information or supporting documentation from or on behalf of the Class Member. The deficiency process will take place in a timely fashion after the close of the Claims Period and upon the Settlement Administrator's determination that all timely-filed claims are likely to have been received. Within thirty (30) days of that determination, the Settlement Administrator shall analyze the claims submitted and send deficiency notices. Class Members shall have thirty (30) days to provide additional information and supporting documentation. If, after expiration of the thirty (30) day period, a Claim Form still does not meet the requirements set forth in this Settlement

Agreement and in the Claim Form instructions, or fails to include all required supporting documentation, such Claim Form shall be rejected. The Settlement Administrator shall reject a Class Member's Claim Form if: (a) the Class Member seeks payment for repairs that are not covered by the terms of this Settlement Agreement; (b) the Class Member fails to provide Appropriate Contemporaneous Documentation of Qualifying Repair and, if applicable, Appropriate Contemporaneous Documentation of Nissan Diagnosis; (c) the Claim Form is duplicative of another Claim Form; (d) the person submitting the Claim Form is not a Class Member, a Class Member's estate or legal representative; (e) the Claim Form was not submitted by the end of the applicable Claims Period; or (f) the Claim Form otherwise does not meet the requirements of this Settlement Agreement.

39. Each Claim Form shall be submitted to and reviewed by the Settlement Administrator, who shall determine in good faith in accordance with the terms and conditions of this Settlement Agreement the extent, if any, to which each claim shall be allowed. The Settlement Administrator shall use all reasonable efforts and means to identify and reject duplicate and/or fraudulent claims, including, without limitation, maintaining a record of every payment made to a Class Member.

40. Claim Forms that do not meet the terms and conditions of this Settlement Agreement, absent submission of additional information by the Class Member as described in Paragraph 38 shall be rejected by the Settlement Administrator. Upon determination that a Claim Form should be rejected after the close of the Claims Period, the Settlement Administrator shall notify the Class Member by mail or email, within thirty (30) days of the determination of the rejection, and inform the Class Member of the appeal procedure including a clear indication of the deadline within which an appeal must be initiated. Notwithstanding

Paragraph 21, Class Counsel and Nissan's Counsel shall be provided with copies of all such notifications to Class Members.

41. If any person whose Claim Form has been rejected, in whole or in part, desires to contest such rejection, the person must, within thirty (30) days after the date of mailing of the notice of the rejection described in Paragraph 40 serve upon the Settlement Administrator by mail or email a notice and statement of reasons indicating the Claimant's grounds for contesting the rejection along with any supporting documentation and requesting review (the "**Dispute Package**"). Notwithstanding Paragraph 21, the Settlement Administrator shall provide to Nissan's Counsel and Class Counsel a copy of any Claimant's Dispute Package within seven (7) days of the Settlement Administrator's receipt of same. If the dispute concerning a claim cannot otherwise be resolved by Nissan's Counsel, Class Counsel and the Settlement Administrator, within forty-five (45) calendar days of the request for review, the Dispute Package shall be submitted to the Arbitrator by the Settlement Administrator. The Arbitrator shall have no responsibility for determining, adjudicating or resolving claims until after a rejected claim has been contested. Prior to a claim being contested, the Settlement Administrator shall have the sole responsibility for evaluating whether a claim meets the Criteria for Reimbursement. The following procedures will govern the consideration of these disputes by the Arbitrator:

41.1. For purposes of this Section, references to a Claimant may include Class Counsel if acting on behalf of the Claimant.

41.2. Nissan must submit to the Settlement Administrator its written response to the Dispute Package within fifteen (15) days after the Dispute Package was delivered to the Arbitrator.

41.3. Class Counsel may submit to the Settlement Administrator a written reply within ten (10) days after receipt of Nissan's written response from the Settlement Administrator.

41.4. The Settlement Administrator shall transmit to the Arbitrator all received documents with copies to Nissan's Counsel, Class Counsel, and the Claimant. The Arbitrator's decision will be based on the written dispute record provided by the Settlement Administrator.

41.5. The Arbitrator's written decision shall be delivered in writing within thirty (30) days after the Arbitrator's receipt of the dispute record from the Settlement Administrator.

The Arbitrator's decision is final. No costs shall be awarded.

42. No person shall have any claim against Nissan or any of the Related Parties, Nissan's Counsel, the Plaintiffs, the Settlement Class, Class Counsel, or the Settlement Administrator based on any eligibility determinations, distributions or payments made in accordance with this Settlement Agreement. This provision does not affect or limit in any way the right of review by the Court of any disputed Claim Forms or determinations regarding the amount of any monetary benefits, to the extent provided above.

43. Within sixty days (60) of the Settlement Administrator determining a Class Member's Claim Form is valid and that the Class Member has satisfied the Criteria for Reimbursement, the Settlement Administrator will mail a cheque to each Authorized Reimbursement Participant, a payment for reimbursement of the costs of a Qualifying Repair for which the Authorized Reimbursement Participant has submitted Appropriate Contemporaneous Documentation of Qualifying Repair, as determined by the Settlement Administrator.

44. Within sixty days (60) of the Settlement Administrator determining a Class Member's Claim Form is valid and that the Class Member has satisfied the Criteria for a Voucher, the Settlement Administrator will mail to each Authorized Voucher Participant a Voucher in the amount set forth in Paragraph 15 towards the purchase or lease of a single new Nissan or Infiniti vehicle within nine (9) months of the Effective Date of Settlement, as described in Paragraphs 1.YY and 15 of this Settlement Agreement.

45. If this Settlement Agreement is not approved or for any reason the Effective Date of Settlement does not occur, no benefits or distributions of any kind shall be made pursuant to this Settlement Agreement, except for the cost of Notice and Settlement Administration Expenses incurred and the value of any reimbursements paid pursuant to Paragraph 43, if already provided to a Class Member. In such event, any funds deposited by NCI into any account opened for the purpose of this Settlement shall revert to NCI, together with all interest on the deposited funds.

OBJECTIONS AND REQUESTS FOR OPT OUT BY CLASS MEMBERS

46. Any Class Member who intends to object to the fairness, reasonableness, and/or adequacy of the Settlement (an "**Objection**") must send a written Objection to the Settlement Administrator at the addresses set forth in Paragraph 49. The Pre-Approval Order will provide a specific date by which the Objection must be received by the Settlement Administrator, which date will be twenty-eight (28) days prior to the date of the Approval Hearing specified in the Pre-Approval Notice.

47. To state a valid Objection to the Settlement, a Class Member making an Objection must provide the following information in his or her written Objection: (i) the Class Member's full name and current address; (ii) the model year and make of his or her vehicle(s)

and approximate date(s) of purchase; (iii) whether the Class Member still owns the vehicle(s); (iv) the VIN of the vehicle(s); (v) current odometer mileage of the vehicle(s) currently owned; (vi) a specific statement of the Class Member's reasons for objecting to the Settlement, including the factual and legal grounds for his or her position; (vii) whether the Objection applies only to the objector, to a specific subset of the class, or to the entire class; (viii) whether the Class Member intends to appear at the Approval Hearing and whether the Class Member will be represented by separate counsel; and (ix) the Class Member's signature (or electronic acknowledgment in lieu of a signature) with the date of signature or electronic acknowledgement.

48. Other than with leave of the Court, no Class Member shall be entitled to be heard at the Approval Hearing (whether individually or through separate counsel) unless written notice of the Class Member's intention to appear at the Approval Hearing and copies of any written Objections and briefs have been received by the Settlement Administrator by the date specified in the Pre-Approval Order. Class Members who fail to timely send a written Objection in the manner specified above shall be deemed to have waived any objections and shall be foreclosed from making any objection (whether by appeal or otherwise) to the Settlement Agreement.

49. Objections and written elections to opt out must be sent to:

By mail or courier to:

Mail: CVT Settlement Administrator
c/o RicePoint Administration Inc.
P.O. Box 4454, Toronto Station A
25 The Esplanade
Toronto, ON M5W 4B1

Courier: CVT Settlement Administrator

c/o RicePoint Administration Inc.
100 University Ave.
8th Floor
Toronto, ON M5J 2Y1

Via email at cvtsettlement@ricepoint.com.

50. Class Members may elect to exclude themselves from this Settlement Agreement, relinquishing their rights to benefits under this Settlement Agreement (“**opt out**”). A Class Member wishing to opt out from the Settlement must send to the Settlement Administrator via the contact methods set forth in Paragraph 49 his or her own personally, or electronically, signed opt-out election including (i) his/her name, (ii) address, (iii) telephone number, (iv) model and year of vehicle, (v) the VIN of the vehicle(s); and (vi) a clear statement communicating that he/she elects to opt out from the Settlement Class. An opt out election signed only by a representative or lawyer for the Class Member is not valid. A single opt out election submitted on behalf of more than one Class Member will be deemed invalid; provided, however, that a request to opt out received from one Class Member will be deemed and construed as a request to opt out by all co-owners or co-lessees of the vehicle. Mass or class opt outs shall not be allowed. No Class Member shall be deemed opted out of the Settlement Class through any purported “mass” or “class” opt outs.

51. Any election to opt out must be received by the Settlement Administrator by the date specified in the Pre-Approval Order. Class Members who fail to submit a valid and timely election to opt out to the Settlement Administrator that is received on or before the date specified in the Pre-Approval Order, shall be bound by all terms of the Settlement Agreement and the Approval Order, regardless of whether they have elected to opt out from the Settlement.

52. Any Class Member who submits a timely election to opt out may not file an Objection to the Settlement Agreement and shall be deemed to have waived any rights or benefits under the Settlement Agreement.

53. The Settlement Administrator will provide copies of all opt-out elections and Objections to Nissan and Class Counsel within three (3) days of the deadline specified in the Pre-Approval Order. Wherever reasonably possible, such copies shall be provided in electronic form and in a manner that minimizes the Opt-Out / Objection expenses. In the event that any deficiencies in opt-out elections or Objections are identified by the Settlement Administrator, the Settlement Administrator will contact the Parties to address any such issues.

54. Not later than seven (7) business days before the scheduled Approval Hearing, the Settlement Administrator shall serve on Nissan and Class Counsel and file with the Court an affidavit reporting on the number of opt-out elections received on or before the opt-out deadline, and compiling all of the written Objections received on or before the Objection deadline.

55. Notwithstanding any other provision of this Settlement Agreement, if the number of Class Members who opt out from the Settlement is in excess of two hundred fifty (250) as of the date set forth in the Pre-Approval Notice, Nissan, in its sole discretion, may rescind and revoke the entire Settlement and this Settlement Agreement, thus rendering the Settlement Agreement void in its entirety. To do so, Nissan shall send written notice that Nissan revokes the Settlement pursuant to this paragraph to Class Counsel within fourteen (14) days following the date the Settlement Administrator informs Nissan of the number of Class Members who have requested to opt out from the Settlement pursuant to Paragraph 50.

56. Upon expiration of the deadlines for filing Objections and elections to opt out from the Settlement as set forth in the Pre-Approval Notice, and on the date set forth in the Pre-Approval Notice, the Approval Hearing shall be conducted to determine approval of the Settlement along with the amount properly payable for Lawyers' Fees and Expenses.

RELEASES, DISMISSAL OF THE ACTIONS AND FUTURE CLAIMS

57. It is agreed that upon the Effective Date of Settlement, all Class Members and their heirs, executors, estates, predecessors, successors, assigns, agents and representatives (the "**Releasing Parties**") shall be deemed to have jointly and severally released and forever discharged Nissan and the Related Parties from any and all Released Claims, whether known or unknown, and shall be fully and forever barred and enjoined from instituting or prosecuting in any court or tribunal, either directly or indirectly, individually or representatively, any and all Released Claims against Nissan or the Related Parties.

58. Class Members who have validly and timely elected to opt out from the settlement by the date set by the Court do not release their claims and will not obtain any of the benefits of the Settlement.

59. The claims released, settled, and compromised by this Settlement Agreement include known and unknown claims relating to the Class Vehicles in the Actions, and this Settlement Agreement is expressly intended to cover and include all such injuries or damages relating to such claims in the Actions, including all rights of action thereunder. The Class Members and Plaintiffs acknowledge that they are aware that they or their lawyers may hereafter discover claims or facts in addition to or different from those which they now know or believe to exist with respect to the Released Claims, but that it is their intention to fully, finally, and forever settle and release all of the Released Claims known or unknown, suspected

or unsuspected, which they have against Nissan or Related Parties. In furtherance of such intention, the release herein given by the Class Members and Plaintiffs to Nissan and Related Parties shall be and remain in effect as a full and complete general release of the Released Claims notwithstanding the discovery or existence of any such additional different claims or facts.

60. All Future Transmission Claims, as well as any warranty claim or dispute relating to or involving, in whole or in part, allegations related to the transmission in a Class Vehicle will be governed exclusively by the Expedited Resolution Process, which is described in more detail in Exhibit “A” to this Settlement Agreement.

61. Within five (5) days of the Effective Date of Settlement, the claims in the Actions shall be dismissed with prejudice, to the extent they involve claims and causes of action relating to the Class Vehicles. Within five (5) days of the Effective Date of Settlement, Plaintiffs in the Actions agree to dismiss, with prejudice, all claims and causes of action as asserted in the Actions relating to the Class Vehicles.

62. With the exception of Future Transmission Claims which are subject to the Expedited Resolution Process, and notwithstanding the dismissal of all claims and causes of action relating to the Class Vehicles in the Actions, the Court shall retain jurisdiction over the Parties to the Settlement Agreement with respect to the future performance of the terms of the Settlement Agreement including, but not limited to, whether any claim being asserted in any Court or forum is released by the terms of the Settlement Agreement. Any dispute about whether the Expedited Resolution Process applies to a claim or dispute must be presented to the Court unless both parties to that dispute agree to have another court or person decide the issue.

63. Upon the Effective Date of Settlement: (a) the Settlement Agreement shall be the exclusive remedy for any and all Released Claims of Class Members; (b) the Released Parties shall not be subject to liability or expense of any kind other than obligations under this Settlement Agreement to any Class Members; and (c) Class Members shall be permanently barred and enjoined from initiating, asserting, or prosecuting any Released Claim against the Released Parties in any federal or provincial court or tribunal.

NO ADMISSION OF LIABILITY

64. The class representatives in the *Mao* Action and *Perozzo* Action (the “**Class Representatives**”), Class Counsel, the Class Members and the Releasing Parties agree, whether or not this Settlement Agreement is approved, terminated or otherwise fails to take effect for any reason, that this Settlement Agreement and anything contained herein, and any and all negotiations, documents, discussions and proceedings associated with this Settlement Agreement, and any action taken to carry out this Settlement Agreement, shall not be deemed, construed or interpreted to be an admission of any violation of any statute or law, or liability by any of the Released Parties, or of the truth of any of the claims or allegations contained in the Actions or any other pleading filed against Nissan by, or on behalf of, the Class Representatives, Class Members or any class that may be certified or authorized in the Actions.

EFFECT OF CERTIFICATION AND DISAPPROVAL, CANCELLATION OR TERMINATION OF THE SETTLEMENT

65. Nissan does not consent to certification of the Settlement Class for any purpose other than to effectuate the settlement of the Actions. If this Settlement Agreement is terminated for any reason, or the Effective Date of Settlement for any reason does not occur, the order certifying the Settlement Class for purposes of effectuating this Settlement

Agreement, and all findings regarding that class certification order, shall be automatically vacated upon notice of the same to the Court, the Actions shall proceed as though the Settlement Class had never been certified pursuant to this Settlement Agreement and such findings had never been made, the Actions shall return to the procedural status quo in accordance with this paragraph, and Nissan shall have the right to object to certification of the Settlement Class or any other class at any future time.

66. In the event an appeal is filed from the Court's Approval Order, or any other appellate review is sought prior to the Effective Date of Settlement, administration of the Settlement Agreement shall be stayed pending final resolution of the appeal or other appellate review unless the Parties agree otherwise.

SETTLEMENT NOT EVIDENCE AGAINST PARTIES

67. The Released Parties deny any and all allegations set forth in the Actions and deny all wrongdoing. This Settlement Agreement is not a concession or admission, and shall not be used against any of the Released Parties as an admission or indication with respect to any claim of any fault, concession, or omission by any of the Released Parties. Whether or not the Settlement Agreement is finally approved, neither the Settlement Agreement, nor any document, statement, proceeding, or conduct related to this Settlement Agreement, nor any reports or accounts thereof, shall be: (i) construed as, offered or admitted in evidence as, received as, or deemed to be evidence for any purpose, including, but not limited to, evidence of a presumption, concession, indication or admission by any of the Released Parties of any liability, fault, wrongdoing, omission, concession or damage; or (ii) disclosed or referred to for any purpose, or offered or received in evidence, in any further proceeding in the Actions, or any other civil, criminal, or administrative action or proceeding against any of the Released

Parties except for purposes of settling the claims relating to the Class Vehicles in the Actions pursuant to this Settlement Agreement. The limitations set forth in this paragraph do not apply to use and/or disclosure by any of the Released Parties against Class Members or third parties, including, without limitation, for purposes of supporting a defense or counterclaim of res judicata, collateral estoppel, release, good faith settlement, judgment bar, offset, reduction, or any other theory or claim of issue preclusion or similar defense or counterclaim.

68. Whether or not this Settlement Agreement is finally approved by the Court, the Parties agree that the Settlement Agreement shall not constitute evidence of the propriety of class certification for the purpose of litigation or for trial in the Actions or any other case.

LAWYERS' FEES AND EXPENSES

69. Class Counsel in the *Mao* Action shall be entitled to apply to the Court for an award of reasonable Lawyers' Fees and Expenses in a total amount up to, but not to exceed, \$500,000 plus HST for fees and \$34,037.59 (inclusive of HST) for expenses. Class Counsel in the *Perozzo* Action shall be entitled to apply to the Court for an award of reasonable Lawyers' Fees and Expenses. Class Counsel in the *Mao* Action may also apply to the Court for an award to class representative Lijie Mao of an honorarium of \$5,000. Class Counsel in the *Perozzo* Action may also apply to the Court for an award to class representative Dave Perozzo of an honorarium of \$5,000. The award of Lawyers' Fees and Expenses will include all fees, expenses, and costs for Class Counsel in connection with the claims relating to the Class Vehicles in the Actions.

70. Nissan agrees not to oppose any applications for Lawyers' Fees and Expenses of \$500,000 plus HST for fees and \$34,037.59 (inclusive of HST) for expenses or less in the *Mao* Action by Class Counsel and the class representatives Lijie Mao, so long as

such applications are consistent with the provisions of this Settlement Agreement, and further agree to pay any amount awarded by the Court for Lawyers' Fees and Expenses in the *Mao* Action that does not exceed the amounts listed in this paragraph. Unless Class Counsel in the *Perozzo* Action and Nissan reach agreement on a reasonable amount for Lawyers' Fees and Expenses in the *Perozzo* Action to be presented to the Court for approval, Nissan reserves its right to oppose any application for Lawyers' Fees and Expenses in the *Perozzo* Action by Class Counsel.

71. Any Lawyers' Fees and Expenses awarded by the Court to Class Counsel and honouraria awarded by the Court to Lijie Mao and/or Dave Perozzo shall be paid by NCI through the Settlement Administrator, within twenty-eight (28) days after the Effective Date of Settlement. Nissan shall have no liability or other responsibility for the allocation of the Lawyers' Fees and Expenses among Class Counsel, or for the allocation of the honourarium payment to Lijie Mao and/or Dave Perozzo. In the event any dispute arises relating to the allocation of the Lawyers' Fees and Expenses, Class Counsel agree to hold Nissan harmless from any and all liabilities, costs and expenses relating to such dispute.

72. NCI's payment of the Lawyers' Fees and Expenses, as described in this Settlement Agreement, shall constitute full satisfaction of Nissan's obligation to pay any person, lawyer, or law firm for lawyers' fees, costs, and expenses incurred on behalf of the Plaintiffs and the Settlement Class, and shall relieve Nissan and the Related Parties from any other claims or liability to any other lawyer, law firm, or person for any lawyers' fees, expenses, and costs to which any of them may claim to be entitled on behalf of Plaintiffs and the Settlement Class that are in any way related to the Released Claims.

73. In the event that this Settlement Agreement is not finally approved by the Court, the Parties agree that Class Counsel shall not be entitled to and shall not seek any Lawyers' Fees and Expenses in connection with any benefits received by any Class Members related to the proposed Settlement under this Settlement Agreement. This prohibition on seeking Lawyers' Fees and Expenses is inapplicable if Nissan exercises its rights under Paragraph 55, although Nissan retains the right to oppose entitlement to any Lawyers' Fees and Expenses that it disputes.

REPRESENTATIONS, WARRANTIES AND COVENANTS

74. Class Counsel who are signatories to this Settlement Agreement represent and warrant that they have the authority, on behalf of their respective clients, to execute, deliver, and perform this Settlement Agreement and to consummate the transactions contemplated by this Settlement Agreement. Class Counsel further warrant and represent that they have authority to seek the dismissal with prejudice of the claims relating to the Class Vehicles in their respective Actions, as contemplated above. This Settlement Agreement has been duly and validly executed and delivered by Class Counsel, individually and on behalf of Plaintiffs, and constitutes their legal valid and binding obligation.

75. Nissan represents and warrants that Nissan has the authority to execute, deliver, and perform this Settlement Agreement and to consummate the transactions contemplated by this Settlement Agreement. The execution, delivery, and performance by Nissan of this Settlement Agreement and the consummation by Nissan of the actions contemplated by this Settlement Agreement have been duly authorized by all necessary corporate action on the part of Nissan. This Settlement Agreement has been duly and validly

executed and delivered by Nissan, by and through Nissan's Counsel, and constitutes Nissan's legal, valid, and binding obligation.

MISCELLANEOUS PROVISIONS

76. The Parties agree that confidential information made available to them solely through the settlement process was made available on the condition that it not be disclosed to third-parties. Information provided by Nissan, Class Counsel, any individual Class Member or counsel for any individual Class Member pursuant to the negotiation and implementation of this Settlement Agreement, including trade secrets and highly confidential and proprietary business information, shall continue to be treated as confidential "Settlement Materials or Communications" within the meaning of any Non-Disclosure Agreements and shall be subject to all of the provisions thereof. Any materials inadvertently produced shall, upon Nissan's request, be promptly returned to Nissan's Counsel, and there shall be no implied or express waiver of any privileges, rights and defences.

77. The Parties acknowledge that they have required and consented that this Settlement Agreement and all related documents be prepared in English; les parties reconnaissent avoir exigé que la présente convention et tous les documents connexes soient rédigés en anglais.

78. All dollar amounts referred to in this Settlement Agreement are in Canadian dollars, unless expressly provided otherwise. All payments made to Claimants will be paid in Canadian dollars.

79. In the event of a Claimant's death, dissolution, incapacity or bankruptcy (whether discharged or ongoing), and upon satisfactory proof thereof, the Settlement

Administrator shall assign, where possible and in accordance with applicable law, the Claimant's benefits to that Claimant's estate or legal representative.

80. The headings in this Settlement Agreement are included for convenience only and shall not be deemed to constitute part of this Settlement Agreement or to affect its construction.

81. This Settlement Agreement, including all appendices and exhibits attached to this Settlement Agreement, may not be modified or amended except in writing signed by all Parties to this Settlement Agreement.

82. This Settlement Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

83. This Settlement Agreement may be signed with an electronic signature and in counterparts, each of which shall constitute a duplicate original.

84. This Settlement Agreement shall be governed by and construed and interpreted in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein, without regard to any conflict of law rule or principle that would mandate or permit application of the substantive law of any other jurisdiction.

85. Except as specifically provided in this Settlement Agreement, the Parties shall each bear their own costs and lawyers' fees, including taxable Court costs.

86. All of the exhibits to this Settlement Agreement are material and integral parts of this Settlement Agreement and are fully incorporated into this Settlement Agreement by this reference. This Settlement Agreement and the Exhibits to this Settlement Agreement constitute the entire, fully integrated agreement among the Parties and void, cancel, and

supersede all prior written and unwritten agreements and understandings pertaining to the Settlement. The Parties each covenant and warrant that they have not relied upon any promise, representation, or undertaking not set forth in writing herein to enter into this Settlement Agreement.

87. If any provision, paragraph, article, or other portion of this Settlement Agreement is found to be void, all of the remaining portions of this Settlement Agreement shall remain in effect and be binding upon mutual agreement of the Parties.

88. The Parties reserve the right, subject to the Court's approval, to make any reasonable extensions of time that might be necessary to carry out any of the provisions of this Settlement Agreement.

89. Any notice, request or instruction or other document to be given by any Party to this Settlement Agreement to any other Party to this Settlement Agreement (other than the Pre-Approval Notice or Approval Notice to the Settlement Class) shall be in writing and delivered via e-mail:

Upon Nissan at:

Borden Ladner Gervais LLP
East Tower, Bay Adelaide Centre
22 Adelaide Street West, Suite 3400
Toronto, ON M5H 4E3

Glenn Zakaib (LSO No. 23320F)
Tel: 416.367.6664
Fax: 416.367.6749
Email: GZakaib@blg.com

Robert L. Love (LSO No. 35979A)
Tel: 416.367.6132
Fax: 416.367.6749
Email: RLove@blg.com

Upon Class Counsel in the *Mao* Action at:

Investigation Counsel P.C.

350 Bay Street, Suite 300
Toronto, ON M5H 2S6

John Archibald (LSO No. 48221L)

Tel: 416.637.3152
Fax: 416.637.3445
Email: JArchibald@investigationcounsel.com

Lawyers for the plaintiff, Lijie Mao

Upon Class Counsel in the *Perozzo* Action at:

Merchant Law Group LLP

6117-240 Richmond Street West
Toronto, ON M5V 1V6

Evatt Merchant (LSO No. 51811C)

Tel: 613-366-2795
Fax: 306-975-1983
Email: EMerchant@merchantlaw.com

Christopher Simoes (LSO No. 69232D)

Tel: 416.828.7777
Fax: 647.478.1967
Email: CSimoes@merchantlaw.com

Lawyers for the plaintiff, Dave Perozzo

90. All applications for Court approval or Court orders required or permitted under this Settlement Agreement shall be made with reasonable prior notice to all Parties.

91. The Class Members, Class Representatives and/or Nissan shall not be deemed to be the drafter of this Settlement Agreement or of any particular provision, nor shall they argue that any particular provision should be construed against its drafter. All Parties agree that this Settlement Agreement was drafted by counsel for the Parties during extensive arm's-length negotiations. No parol or other evidence may be offered to explain, construe,

contradict, or clarify its terms, the intent of the Parties or their counsel, or the circumstances under which this Settlement Agreement was made or executed.

92. The Parties agree to hold all proceedings in the Actions, except such proceedings as may be necessary to implement and complete the Settlement Agreement, in abeyance pending the Approval Hearing to be conducted by the Court.

93. The Parties believe that this Settlement Agreement is a fair, adequate, and reasonable settlement of the claims relating to the Class Vehicles in the Actions and have arrived at this Settlement through arm's length negotiations, taking into account all relevant factors, present, and potential.

Class Counsel in *Mao* Action

Date:



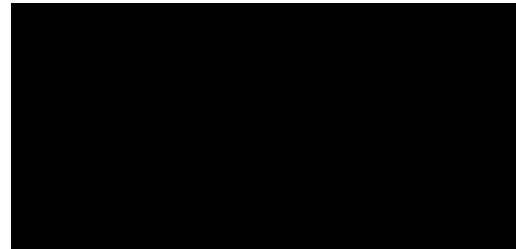
By:



Class Counsel in *Perozo* Action

Date:

By:



Nissan Canada Inc.

Date

By:

Date

By:

Nissan North America, Inc.

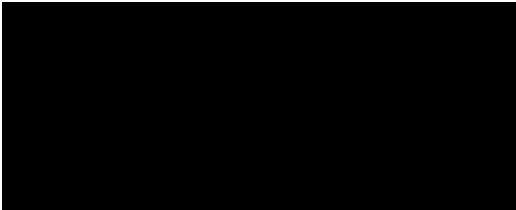
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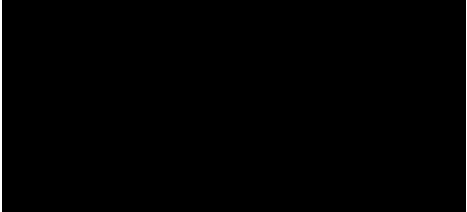
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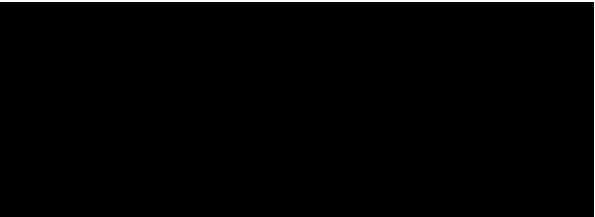
Class Counsel in *Mao* Action



Date: _____ By:  _____

Class Counsel in *Perozzo* Action

Date: _____ By:  _____

Nissan Canada Inc.

Date  _____ By: 

Date  _____ By: 

Nissan North America, Inc.

Date _____ By: _____

Class Counsel in *Mao* Action

Date: _____ By: _____



Class Counsel in *Perozzo* Action

Date: _____ By: _____



Nissan Canada Inc.

Date _____ By: _____

Date _____ By: _____

Nissan North America, Inc.

Date _____ By: _____

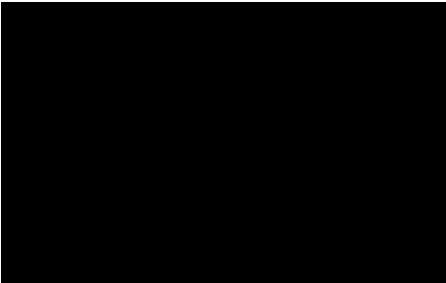
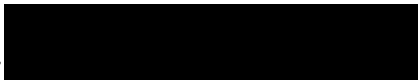


EXHIBIT A

EXPEDITED RESOLUTION PROCESS FOR FUTURE TRANSMISSION CLAIMS

All Future Transmission Claims, as that term is defined in the Settlement Agreement, as well as any warranty claim or dispute relating to or involving, in whole or in part, allegations related to the transmission in a Class Vehicle (collectively “Claims” in this Exhibit A), must be resolved using the following Expedited Resolution Process:

- 1.1 All capitalized terms herein not otherwise defined shall be ascribed the same meaning as capitalized terms included in the Settlement Agreement.
- 1.2 A Class Member is only eligible for the Expedited Resolution Process if they have, after the Approval Notice Date, taken their Class Vehicle to an Authorized Nissan Dealer requesting warranty coverage for a claimed defect in the transmission under the New Vehicle Limited Warranty within the Warranty Extension Period, and coverage is denied.
- 1.3 Within ninety (90) days after being advised that their Class Vehicle is denied coverage under the New Vehicle Limited Warranty within the Warranty Extension Period, the Class Member must notify the Settlement Administrator in writing of any intent to dispute the decision. The Settlement Administrator must deliver the particulars of the Class Member's dispute to Nissan's Counsel and the Class Member.
- 1.4 The Settlement Administrator, Nissan's Counsel, and the Class Member (or counsel retained on her/his/its behalf) must confer by conference call within thirty (30) days after the Settlement Administrator transmits the Class Member's written notice of dispute, or within such other time period as agreed to by Nissan's Counsel and the Class Member (or counsel retained on her/his/its behalf). If the conference call does not resolve the dispute, the Settlement Administrator must in writing advise the Class Member that he, she, or it may submit their claim to the Arbitrator by

requesting a review of their warranty claim and setting out the basis of the claim in writing delivered to the Settlement Administrator within thirty (30) days after the date of such notification.

The following procedures will govern this Expedited Resolution Process:

- 1.4.1 After the Settlement Administrator receives a Class Member's written claim, the Settlement Administrator shall deliver the written claim to Nissan's Counsel and the Class Member (or counsel retained on her/his/its behalf).
- 1.4.2 Nissan's Counsel must submit to the Settlement Administrator Nissan's written response within fifteen (15) days after receipt of the Class Member's written claim from the Settlement Administrator.
- 1.4.3 The Class Member (or counsel retained on her/his/its behalf) may submit to the Settlement Administrator a written reply within ten (10) days after receipt of Nissan's written response from the Settlement Administrator.
- 1.4.4 The Settlement Administrator shall transmit to the Arbitrator all received documents with copies to Nissan's Counsel and the Class Member (or counsel retained on her/his/its behalf). The Arbitrator's decision will be based on the written record provided by the Settlement Administrator.
- 1.4.5 The Arbitrator must choose to deem the Class Member eligible for warranty coverage, or not, but no other remedy.
- 1.4.6 The Arbitrator's written decision shall be delivered in writing within thirty (30) days after the Arbitrator's receipt of the claim record from the Settlement Administrator. The Arbitrator's decision is final. No costs shall be awarded.