

NOTICE OF CERTIFICATION AND SETTLEMENT OF TCE CLASS ACTION AGAINST NORTHSTAR AEROSPACE COMPANIES

Read this notice carefully as it may affect your legal rights and/or those of your family members

PURPOSE OF THIS NOTICE

This notice is to all persons owning property in the Class Area (defined below) as of August 23, 2005 excluding the defendants and their officers and directors (the "Class Members").

The Class Area is the area bounded by a line commencing at the corner of Bishop Street North and Industrial Road, south along Industrial Road to Dunbar Road, west to the Grand River Railway ("GRR") right-of-way, east along the GRR right-of-way up to and including 2005 Coronation Boulevard, along the eastern perimeter of 2005 Coronation Boulevard, and thereafter east along Coronation Boulevard to Highland Park and then west on Highland Park but including only the properties on the north side of Highland Park bearing municipal addresses of 110 to 160 Highland Park inclusive and continuing west to the Grand River and thereafter continuing west to the Grand River and thereafter continuing to a point south of the southwest limit of Bishop Street South, north to Bishop Street South and then northeast along Bishop Street South to the Canadian National Railway ("CNR") right-of-way, north along the CNR right-of-way to the west of 300 Bishop Street North to the northwest corner of 1382 Pineview Avenue, along the northern perimeter of 1382 Pineview Avenue to the southeast corner of 343 Montrose Street, along the eastern perimeter of 343 Montrose Street to the northwest corner of 1334 Pineview Avenue, along the northern perimeter of 1334 Pineview Avenue, south along Pineview Avenue to the northwest corner of 1393 Pineview Avenue, along the northern perimeter of 1393 Pineview Avenue to the northeast corner of 1393 Pineview Avenue, south to the northwest corner of 1422 Concession Road, along to northern perimeters of 1422 and 1418 Concession Road, across Concession Road and continuing along the northern perimeter to 1485 Concession Road, along the western and northern perimeters of 1470 Fairview Road, south along Fairview Road to Bishop Street North and then along Bishop Street North to Industrial Road, but including all of the properties on the north side of Bishop Street North between Fairview Road and 695 Bishop Street North (including 1475 Mary Street).

A map of the Class Area is available online at www.classaction.ca, www.classactionlaw.ca and www.gowlings.com/northstar.

In 2007, a number of plaintiffs commenced a class action against Northstar Aerospace, Inc. ("Northstar Aerospace") and Northstar Aerospace (Canada) Inc. ("Northstar Canada") (collectively, "Northstar") in the Ontario Superior Court of Justice, Court File No. 06-CV-307624-CP. The plaintiffs allege that Northstar is responsible for the escape of Trichloroethylene and Chromium from Northstar Canada's Bishop Street North, Cambridge, plant through improper handling, storage and disposition of the chemicals.

The plaintiffs in the action have reached a settlement with Northstar. On June 18, 2009, the action was certified for settlement purposes and the settlement was approved by the Ontario court.

Northstar does not admit any wrongdoing or liability. The settlement is a compromise of disputed claims.

TERMS OF THE SETTLEMENT

The parties have agreed to a settlement which contemplates the following:

- Northstar will pay \$1 million to a Property Damage Fund;
- Northstar Canada will execute a promissory note in the amount of \$3 million also to be paid to the Property Damage Fund within 3 years following its issuance after court approval. The promissory note will bear simple interest at

3.3% and will be payable at any time by Northstar Canada within the 3 year period and can be paid either in cash and/or, subject to regulatory approval, by issuance of Northstar Aerospace treasury shares of equivalent value which may be converted into cash on issuance;

- Northstar will pay a further \$500,000.00 to an Extraordinary Damage Fund which will be used for purposes of extraordinary damage claims over and above the base amounts to be paid from the Property Damage Fund;
- Class Members will be able to make property damage-related claims with respect to the Plan of Distribution, which is summarized below;
- The settlement does not apply to nor affect personal injury claims;
- A claims process has been developed and if there are funds remaining in the Extraordinary Damage Fund after the claims process is complete, the excess money will revert to the Property Damage Fund;
- Northstar will be under a reporting obligation with respect to remediation efforts and the Court will retain supervisory jurisdiction;
- Northstar will make a legal costs contribution in the amount of \$550,000.00; and
- The settlement contains a revocation clause that provides an option to both the plaintiffs and the defendants to terminate the settlement if a certain threshold number of Class Members Opt-Out of the settlement.

Complete information on the settlement may be found online at www.classaction.ca, www.classactionlaw.ca and www.gowlings.com/northstar.

PLAN OF DISTRIBUTION

Under the Plan of Distribution, there are two settlement funds:

(1) Property Damage Fund, which compensates Class Members for Property Damage. In order to be eligible for compensation under the Property Damage Fund, Class Members must submit a completed Property Damage Claim Form to the Claims Administrator, postmarked no later than September 23, 2009.

Class Members will receive a pro-rata share of the monies in the Property Damage Fund based on their approved points total. The points system takes into account circumstances such as the recorded level of TCE readings, installation of or dependence on a Soil Vapour Extraction Unit, installation of Heat Recovery Units, sealants/passive barriers, testing wells, and required evacuation from the property while remediation was being performed.

(2) Extraordinary Damage Fund, which compensates Class Members for Extraordinary Damage. Extraordinary Damages include quantifiable damages not covered by compensation received from the Property Damage Fund, such as an extraordinary diminution claim, extra out-of-pocket expenses and loss of income (rental or sales). In order to be eligible for compensation under the Extraordinary Damage Fund, Class Members must submit a completed Extraordinary Damage Claim Form to the Claims Administrator, postmarked no later than December 22, 2009.

If there is not enough money in the Extraordinary Damage Fund to pay the full amount of the claims of each Class Member as approved by the Claims Administrator, Extraordinary Damage claims will be paid out on a pro-rata basis.

Complete information on the Plan of Distribution may be found online at www.classaction.ca, www.classactionlaw.ca and www.gowlings.com/northstar.

OPTING OUT OF THE SETTLEMENT

If you would like to exclude yourself from the settlement, you can opt-out by submitting a completed Opt-Out Form to the Claims Administrator, postmarked no later than August 24, 2009. If you opt-out, you will not be able to participate in the settlement. A copy of the Opt-Out Form is available online at www.classaction.ca, www.classactionlaw.ca and www.gowlings.com/northstar.

If you participate in the settlement or do nothing (i.e., you do not file a timely Opt-Out Form or a timely Claim Form), you will be precluded from bringing a claim against the defendants for Property Damage.

CLASS COUNSEL

If you have questions or require additional information, you may contact Class Counsel as follows:

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Class Counsel legal fees in the amount of \$666,733.32 plus applicable taxes and disbursements of \$90,520.02 inclusive of taxes, were approved by the Court. Class Counsel will make a further application for legal fees (approximately \$458,266.68) and disbursements plus applicable taxes once the balance of the promissory note has been paid. Class Counsel will not request a total legal fee greater than 25% of the Settlement Amount plus disbursements and applicable taxes, pursuant to the executed retainer agreements.

INTERPRETATION

This notice contains a summary of some of the terms of settlement. If there is a conflict between the provisions of this notice and the Settlement Agreement, including schedules, the terms of the Settlement Agreement shall prevail.

This notice has been approved by the Ontario Superior Court of Justice. Questions about this notice should NOT be directed to the court.