

Press Release

W.C.I. Canada Inc. is pleased to announce the Court-approval of the Settlement of Class Actions involving certain electric clothes dryers. A summary of the Settlement is set out below.

**NOTICE TO CURRENT AND FORMER OWNERS OF
WHITE-WESTINGHOUSE, KELVINATOR AND FRIGIDAIRE CLOTHES DRYERS
BEARING TEN-DIGIT SERIAL NUMBERS BEGINNING WITH
87, 88, FD-9 OR FD-O ("DRYER OWNERS")
OF THE NATIONAL SETTLEMENT OF CLASS ACTIONS**

NOTICE

1. This notice is directed to all current and former owners of clothes dryers manufactured by W.C.I. Canada Inc. ("W.C.I."), between January 1987 and October 1990 under the brand names White-Westinghouse, Kelvinator and Frigidaire, bearing ten-digit serial numbers beginning with 87, 88, FD-9 or FD-O ("Dryer" or "Dryers"), wherever resident in Canada (the "Dryer Owners");
2. Class actions relating to the Dryers were commenced in the Provinces of Ontario, Québec and British Columbia (collectively, the "Class Actions");
3. The Ontario class action is *Robert C. Campbell and Ethel Pryce v. W.C.I. Canada Inc.*, Court File Number 18784/94 (Toronto) (the "Ontario Class Action"). The Québec class action is *Option Consommateurs (previously, Association des Consommateurs*

du Québec) v. Gilbert Gagnon (previously Madeleine Lafortune) v. W.C.I. Canada Inc., Court File Number 500-06-000009-940 (District of Montreal) (the "Quebec Class Action"). The British Columbia Supreme Court action is *Jack Uhryniuk v. W.C.I. Canada Inc.*, Court File Number A-980452 (Vancouver Registry) (the "British Columbia Class Action");

4. On November 25, 2002, the British Columbia Supreme Court certified the British Columbia Class Action and approved the settlement of the British Columbia Class Action;
5. On November 29, 2002, the Québec Superior Court approved the settlement of the Québec Class Action;
6. On December 10, 2002, the

Ontario Superior Court of Justice amended the certification order in the Ontario Class Action to include all Dryer Owners in Newfoundland and Labrador, Prince Edward Island, New Brunswick, Nova Scotia, Manitoba, Saskatchewan, Alberta, the Yukon, the North West Territories and Nunavut, and approved the settlement of the Ontario Class Action;

7. Residents of every province and territory in Canada other than Ontario and Québec may opt-out of the class action by February 27, 2003 as set out more fully below. All of those who wish to participate in the settlement must submit a claim as outlined below¹;

¹ Clarity Note: The original Ontario class was certified on July 21, 1997 as follows:

Residents of Ontario who on September 23, 1994 owned dryers built by the defendant at its Cambridge manufacturing

Terms of the Settlement

8. The Ontario Superior Court of Justice, the Québec Superior Court and the British Columbia Supreme Court (collectively, "the Courts") have approved the settlement of the Class Actions as being fair, reasonable and in the best interests of the Dryer Owners as recommended by Class Counsel;
9. The following is a summary of the terms of the settlement. Your ability to recover, and the amount you will recover are governed by the official settlement agreement

facility between January 1987 and October 1990 under the brand names White-Westinghouse, Kelvinator and Frigidaire, bearing 10 digit serial numbers beginning with 87, 88, FD9 or FD0.

The opt out rights of these class members expired on March 1, 1998. Ontario class members who have questions about whether their opt out rights have expired should contact Ontario class counsel. DO NOT CONTACT THE COURTS.

approved by the Courts. The settlement agreement is available in both English and French at "<http://www.classaction.ca>":

- (a) The settlement is without any admission of liability on the part W.C.I.;
- (b) the aggregate amount available under the settlement to satisfy the claims of Dryer Owners who sustained unproven damages or modest claims such as burnt clothes (collectively "Category C Claimants"), and those who have suffered significant damage to tangible property beyond the contents of the Dryers

- (“Category B Claimants”) is \$4.2 million minus all Class Counsel fees, disbursements and applicable taxes (the “Settlement Funds”);
- (c) Category B and C Claimants will be entitled to receive, in the first instance, a maximum payment of \$150 (the “Stage One Entitlement”);
- (d) if, after the calculation of the Stage One Entitlement, surplus funds exist (“Surplus Category B Funds”), those Surplus Category B Funds will be used to pay that portion of the Category B Claims that exceed the Stage One Entitlement (the “Category B Stage Two Entitlement”);
- (e) to the extent that there is a shortfall of available funds to pay the Category B Stage Two Entitlement, the Defendant will contribute, on an as needed basis, a maximum of an additional \$300,000 to the Plan (the “Additional Settlement Funds”);
- (f) in the event that the total of the Category B Claims exceeds the available settlement funds, Category B Claimants will be paid-out on a pro-rata basis from what funds are available;
- (g) if the Category B Claims can be paid in full without redress to any of the

Additional Settlement Funds, Category B Claimants may also receive interest on the full amount of their Category B Claims;

- (h) if, after the payment of all Category B Claims, including interest, and the calculation of the Stage One Entitlement of Category C Claimants, there is a surplus of funds ("Surplus Category C Funds"), Category C Claimants shall each be entitled to an amount equal to the aggregate of the Surplus Category C Funds (the "Category C Stage Two Entitlement"). The Category C Stage Two Entitlement shall be added

to the Category C Stage One Entitlement, and thereafter payment of both entitlements shall be made to Category C Claimants;

- (i) if, after the calculation of all Category B Claims including the Interest Component, and the calculation of the Category C Stage One Entitlement, no Surplus Category C Funds exist, the Stage One Category C Entitlement shall be paid and Category C Claimants shall, for greater certainty, have no further entitlement under the Plan;
- (j) if, after the payment of the Category C Stage Two Entitlement, surplus funds exist ("Excess Funds"), for

example, as a result of returned or uncashed cheques, Category C Claimants may receive a further distribution equal to the Excess Funds, less the costs of distribution, divided by the number of Category C Claimants;

- (k) Ontario's Superior Court of Justice will supervise the administration of the settlement and may issue orders as necessary to implement and enforce the provisions of the settlement. Any questions relating to the administration of, or entitlement under, this settlement are to be directed to class counsel at

the addresses set out below. FOR GREATER CERTAINTY, DO NOT CONTACT THE COURTS.

- (l) the plaintiffs' disbursements, applicable taxes, and the fees of class counsel as fixed by the courts and paid out of the \$4.2 million paid by the defendant. The Ontario and British Columbia class counsel have been awarded a total of approximately \$561,750.00 in fees and applicable taxes, and \$ 6 7 , 7 9 4 . 8 6 in disbursements and applicable taxes. The Quebec class counsel have been awarded a total of approximately \$525,000 in

fees, \$41,597.91 in disbursements and \$78,881.25 in applicable taxes on fees and disbursements. Of this amount, Québec class counsel must reimburse the sum of \$71,792.28 in fees and disbursements to the *Fonds d'aide aux recours collectifs*,

- (m) Dryer Owners resident in Canadian provinces and territories other than Québec, and Ontario will have until forty-five (45) days from the first publication of this notice, that is, by no later than February 27, 2003 (the "Opt Out Date") to opt out of the class (and therefore

the Plan) by sending a written election to do so to the defendant at the address set out below. No Dryer Owner will be permitted to opt out after that date;

- (n) the Plan shall, at the option of the defendant, be null and void and of no force or effect if greater than 5,000 Dryer Owners resident in Canadian provinces and territories other than Québec and Ontario opt out;
- (o) Every Dryer Owner, except those who have already opted out, or those who opt out in accordance with the provisions of the Plan, will be bound by the

settlement, whether or not they submit a claim in accordance with the settlement, and whether or not the claim is accepted for payment;

- (p) each Dryer Owner who has not already opted out or does not opt out in accordance with the provisions of the Plan and his or her heirs, legal representatives and assigns or their past and present, parent, subsidiary and affiliated corporations, employees, agents, officers, directors, shareholders, successors and assigns shall be conclusively deemed to have released W.C.I. from all claims of

every nature or kind, including any claim in any way relating to or arising directly or indirectly from the Dryers and they shall be forever barred from asserting any such claims;

- (q) Dryer Owners who do not opt out in accordance with the provisions of the Plan will have until July 20, 2003 (6 months after the last publication of notice of approval of the Plan) to submit a claim seeking to participate in the distribution of the settlement funds;

- (r) in order to participate in the distribution of the settlement funds, Dryer Owners must submit a

claim form certifying that they are or were Dryer Owners and establishing their loss; and

(s) Claim forms may be obtained by:

(i) writing to:

The Dryer Exchange
P r o g r a m
Administrator
866 Langs Drive
Cambridge, ON
N3H 2N7;

(ii) contacting the Dryer Exchange Program Administrator at 1-800-863-2509; or

(iii) *via* the Internet at "http:\\www.classaction.ca".

Any questions about the matters in this notice or the Plan should be directed to:

For Residents of Quebec

Sylvestre Charbonneau Fafard

Barristers and Solicitors

740 Avenue Atwater

Montreal, PQ H4C 2G9

Attention: Mr. Jean-Pierre Fafard

Telephone: (514) 937-2881

Facsimile: (514) 937-6529

For Residents of British Columbia

Poyner Baxter

Barristers and Solicitors

#408 – 145 Chadwick Court

North Vancouver, BC V7M 3K1

Attention: Mr. Kenneth Baxter

Telephone: (604) 988-6321

Facsimile: (604) 988-3632

Additional Information and Questions for Class Counsel

For Residents of All other Canadian
Provinces and Territories

Siskind, Cromarty, Ivey & Dowler
Barristers and Solicitors
680 Waterloo Street
P.O. Box 2520, Stn. B
London, ON N6A 3V8

Attention: Ms. Andrea DeKay
Telephone: (519) 672-2121
Facsimile: (519) 672-6065

Media Contacts:

W.C.I. Canada Inc.

Tony Evans
(614) 761-2633

Plaintiffs' Counsel

For Residents of Quebec

Sylvestre Charbonneau Fafard

Attention: Mr. Jean-Pierre Fafard
Telephone: (514) 937-2881

For Residents of All Other Provinces and Territories

Siskind, Cromarty, Ivey & Dowler

Attention: Ms. Andrea DeKay
Telephone: (519) 672-2121