

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

MELVIN DAVIS, DAKOTA KING, SCOTT E. VOLLMAR, CORY L. HARRIS, and BOBBY R. GARRETT, III, individually and on behalf of all others similarly situated,

*Plaintiffs,*

v.

MAGNA INTERNATIONAL OF AMERICA, INC., et al.,

*Defendants.*

Case No. 2:20-cv-11060-NGE-EAS

Hon. Nancy G. Edmunds

Magistrate Elizabeth A. Stafford

**NOTICE OF CLASS ACTION SETTLEMENT**

*A federal court has authorized this Notice. This is not a solicitation from a lawyer.*

**PLEASE READ THIS NOTICE CAREFULLY AS IT MAY AFFECT YOUR RIGHTS**

You are receiving this Notice of Class Action Settlement (“Notice”) because records indicate that you were a participant in the Magna Group of Companies Retirement Savings Plans (the “Plan”) at some point between April 30, 2014 and August 28, 2024. Your rights may be affected by a proposed settlement of this class action lawsuit (the “Settlement”). **Please read the following information carefully to learn about the lawsuit, the terms of the proposed Settlement, your right to object to the proposed Settlement, and the deadline for objecting.**

The complete terms of the Settlement appear in a Class Action Settlement Agreement (the “Agreement”). Capitalized terms used in this Notice, but not defined in this Notice, have the meanings assigned to them in the Agreement. The Agreement and additional information about this lawsuit and the Settlement are available at [www.401kretirementplansettlement.com](http://www.401kretirementplansettlement.com).

The Court in charge of this case is the United States District Court for the Eastern District of Michigan. The people who sued on behalf of themselves and the Plan are called the “Named Plaintiffs,” and the people they sued are called “Defendants.” Defendants are Magna International of America, Inc., the Board of Directors of Magna International of America, Inc., the Magna International of America, Inc. Investment Committee, and the United States Pension and Retirement Savings Committee.

The case is known as *Davis v. Magna International of America, Inc.*, Case No. 2:20-cv-11060.

<b>YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT</b>	
<b>YOU ARE NOT REQUIRED TO FILE A CLAIM</b> IN ORDER TO OBTAIN A PAYMENT.	If the Settlement is approved by the Court and if you are a member of the Settlement Class who is entitled to receive a payment under the Agreement, you will not need to file a claim in order to receive a Settlement payment.
<b>HOW SETTLEMENT PAYMENTS WILL BE DISTRIBUTED.</b>	If you currently have a positive account balance in the Plan and are a Settlement Class Member, your share of the Net Settlement Amount will be deposited into your Plan account. If you are a Former Participant ( <i>i.e.</i> , no longer a participant in the Plan) and are a Settlement Class Member, the money will be paid directly to you by the Settlement Administrator.
<b>YOU MAY OBJECT TO THE SETTLEMENT BY DECEMBER 6, 2024.</b>	If you wish to object to any part of the Settlement, you may (as discussed below) write to the Court and the attorneys for the Settling Parties to explain why you object to the Settlement.
<b>YOU MAY ATTEND THE FAIRNESS HEARING TO BE HELD ON JANUARY 7, 2025.</b>	If you submit a written objection to the Settlement before the Court-approved deadline, you may (but do not have to) attend the Final Approval Hearing and present your objections to the Court. You may also attend the Final Approval Hearing even if you do not file a written objection, but you will be allowed to speak at the Final Approval Hearing only if you timely file a written objection and a Notice of Intention to Appear, as described in the answer to Question 16 below.

- These rights and options—**and the deadlines to exercise them**—are explained in this Notice.
- The Court still has to decide whether to approve the Settlement. Payments will be made only if the Court approves the Settlement and that approval is upheld in the event of any appeal.

Further information about this case and this Notice may be obtained by contacting the following Class Counsel:

Mark K. Gyandoh  
CAPOZZI ADLER, P.C.  
Merion Station, PA 19066  
Telephone: (610) 890-0200

Class Counsel has established a toll-free phone number to receive your comments and questions: (866) 959-2116. You may also send an email to [MagnaERISAsettlement@noticeadministrator.com](mailto:MagnaERISAsettlement@noticeadministrator.com). In the subject line, please write “Magna Settlement.” You should contact Class Counsel with any questions regarding this Settlement, not the Court, Magna, or counsel for the Defendants.

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## SUMMARY OF SETTLEMENT

This lawsuit (the “Action”) is a class action in which Named Plaintiffs Scott E. Vollmar, Cory L. Harris, and Bobby R. Garrett, III claim that the Defendants allowed the Plan to pay unreasonably high fees. A copy of the First Amended Complaint (“Complaint”), which contains the current description of the Named Plaintiffs’ claims, as well as other documents filed in the Action, are available at [www.401kretirementplansettlement.com](http://www.401kretirementplansettlement.com) or from Class Counsel. Defendants have denied and continue to deny all of the claims and allegations in the Action and deny any liability or wrongful conduct of any kind. Defendants believe they administered the Plan properly, prudently, and in the best interests of Plan participants at all times.

A Settlement Fund consisting of \$2,900,000 in cash (the “Gross Settlement Amount”) is being established in the Action. The Gross Settlement Amount will be deposited into an escrow account, and together with any interest earned will constitute the Settlement Fund. Payment of any taxes, approved attorneys’ fees and litigation expenses, Case Contribution Awards to Named Plaintiffs, and the costs of administering the Settlement will be paid out of the Settlement Fund. After the payment of those fees, expenses, and awards, the amount that remains will constitute the Net Settlement Amount. The Net Settlement Amount will be allocated to Settlement Class Members according to a Plan of Allocation to be approved by the Court.

## POTENTIAL OUTCOME OF THE ACTION

Defendants strongly dispute each of the claims asserted in the Action and deny that they ever engaged in any wrongdoing, violation of law, or breach of duty. The Named Plaintiffs would face an uncertain outcome if the Action were to continue. The settlement was reached while the Action and a request for an interlocutory appeal were pending. If the settlement had not been reached, the case may have continued, including by going to trial. If the case proceeded to trial, Defendants would present evidence that they reasonably, prudently, and loyally managed the Plan’s fees and fulfilled all of their fiduciary obligations. As a result, continued litigation could result in a judgment in favor of the Defendants and against the Named Plaintiffs and Class. Even if the Named Plaintiffs and Class prevailed, they might win less than the benefits obtained as part of the Settlement, or no recovery at all.

The Named Plaintiffs and the Defendants disagree on liability and do not agree on the amount that would be recoverable even if the Named Plaintiffs were to prevail at trial. The Defendants deny all claims and contentions by the Named Plaintiffs. The Defendants deny that they are liable to the Settlement Class and that the Settlement Class or the Plan has suffered any damages for which the Defendants could be held legally responsible. Having considered the uncertainty, costs, and risks inherent in any litigation, particularly in complex cases, the Named Plaintiffs and Defendants have agreed to the Settlement.

## ATTORNEYS’ FEES AND EXPENSES SOUGHT IN THE ACTION

Class Counsel will apply to the Court for an order awarding attorneys’ fees not in excess of one-third of the Settlement Amount (a maximum amount of \$966,667), plus reimbursement of expenses not to exceed \$100,000. Any amounts approved by the Court will be paid from the Settlement Fund.

## WHAT WILL THE NAMED PLAINTIFFS GET?

The Named Plaintiffs will share in the allocation of the Net Settlement Amount on the same basis as all other members of the Settlement Class. In addition, the Named Plaintiffs will ask the Court to award up to \$10,000 to each of them as Case Contribution Awards (*i.e.*, a total of \$30,000 of Case Contribution Awards) for their participation in the Action and representation of the Settlement Class. Any such awards will be paid solely from the Settlement Fund.

## BASIC INFORMATION

### 1. Why did I get this Notice Package?

You or someone in your family may have been a participant in or a beneficiary of the Plan at some point between April 30, 2014 and August 28, 2024.

The Court directed that this Notice be sent to you because, if you fall within the definition of the Settlement Class, you have a right to know about the Settlement and the options available to you before the Court decides whether to approve the Settlement.

## **2. What is the Action about?**

The Named Plaintiffs claim that Defendants breached fiduciary duties of prudence and loyalty owed to participants in and beneficiaries of the Plan. They made this claim under a federal law known as “ERISA,” or the Employee Retirement Income Security Act. The Named Plaintiffs claim that Defendants allowed the Plan to pay unreasonably high fees for investment options and recordkeeping services. In simple terms, “recordkeeping” refers to administrative services provided to retirement plan participants, such as providing account statements or a participant website.

Defendants deny all of the claims and allegations in the Action and deny that they ever engaged in any imprudent, disloyal, or otherwise wrongful conduct. If the Action were to continue, the Defendants would continue to assert defenses, including:

- Defendants did not engage in any of the allegedly improper conduct charged in the Complaint;
- Defendants reasonably and prudently managed the Plan’s investment options and fees, as well as all recordkeeping fees, and fulfilled all of their fiduciary obligations;
- The Plan’s investment options were and are reasonable, prudent, and sound investment options for Plan participants;
- The Plan’s investment options and recordkeeping services were not selected or retained for the purpose of benefiting Defendants or a third party;
- None of Defendants’ actions caused the Plan or its participants to suffer any loss.

Class Counsel has reviewed the evidence in the case and the potential risks and benefits of continued litigation and believes that the Settlement is in the best interest of the class.

## **3. Why is this case a Class Action?**

In a class action, one or more plaintiffs, called “class representatives” or “named plaintiffs,” sue on behalf of people with similar claims. Everyone with similar claims makes up the “class” and are referred to individually as “class members.” One case resolves the issues for all class members together. Because the conduct alleged in this Action is claimed to have affected participants in the Plan from April 30, 2014 through August 28, 2024, in a similar way, the Named Plaintiffs filed this case as a class action.

## **4. Why is there a Settlement?**

As in any litigation, all parties face an uncertain outcome. On the one hand, continuing the case against the Defendants could result in a judgment greater than this Settlement. On the other hand, continuing the case could result in Plaintiffs obtaining no recovery at all or obtaining a recovery that is less than the amount of the Settlement. Based on these factors, the Named Plaintiffs and Class Counsel have concluded that the proposed Settlement is in the best interests of all Settlement Class Members.

## **5. How do I know whether I am part of the Settlement?**

You are a member of the Settlement Class if you fall within the definition of the Settlement Class approved by the Court:

All persons, except Defendants and their immediate family members, who were participants in or beneficiaries of the Plan, at any time between April 30, 2014 through August 28, 2024.

If you are a member of the Settlement Class, the amount of money you will receive, if any, will depend upon the Plan of Allocation, described below.

## THE SETTLEMENT BENEFITS—WHAT YOU MAY GET

### 6. What does the Settlement provide?

If the Settlement becomes Final, a Settlement Fund consisting of \$2,900,000 will be established. The amount of money that will be allocated among members of the Settlement Class, after the payment of any taxes and Court-approved costs, fees, and expenses, including attorneys' fees and expenses of Class Counsel, any Court-approved Case Contribution Awards to be paid to Named Plaintiffs, and payment of expenses incurred in calculating the Settlement payments and administering the Settlement, is called the "Net Settlement Amount." The Net Settlement Amount will not be known until these other amounts are determined. The Net Settlement Amount will be allocated to members of the Settlement Class according to a Plan of Allocation to be approved by the Court. The Plan of Allocation describes how Settlement payments will be distributed to Settlement Class Members who receive a payment.

If the Settlement is approved by the Court, all Settlement Class Members will release any claims related to the allegations in the lawsuit and will be prohibited from bringing or pursuing any other lawsuits or other actions based on those claims. This means, for example, that Settlement Class Members will not have the right to sue the Released Parties for failure to prudently or loyally select and monitor the Plan's investment options or fees, or related matters, that occurred during the period from April 30, 2014 to August 28, 2024 (the "Class Period"). The complete terms of the Settlement, including the definitions of the Released Parties and Released Claims, are set forth in the Agreement, which may be obtained at [www.401kretirementplansettlement.com](http://www.401kretirementplansettlement.com) or by contacting Class Counsel listed on Page 2 above.

### 7. How much will my payment be?

Each Settlement Class Member's share will be calculated according to a Court-approved Plan of Allocation by a third-party vendor ("Settlement Administrator") selected by Class Counsel. In general, your share of the Settlement will be calculated as follows:

- First, the Settlement Administrator will obtain Plan account balances for each Settlement Class Member as of (i) April 30, 2014, or June 30, 2014, whichever balance is more practical to obtain, (ii) December 31 of each subsequent full calendar year of the Class Period up to and including 2023, and (iii) June 30, 2024. For any Class Member who had a balance in their account at or after the beginning of the Class Period, but liquidated their account before the end of the June 30, 2024, the earliest reasonably available balance of their account during the Class Period and the balance as of the end of the last quarter when they participated in the Plan will be the balances used for purposes of calculating an award under the Plan of Allocation. Each Class Member's account balances for each year of the Class Period based on the account balances as of these dates will be summed. This summed amount will be that Class Member's "Balance."
- Second, the Balances of all Class Members will be summed.
- Third, each Class Member's share of the Net Settlement Amount in proportion to that Class Member's Balance as compared to the sum of the Balances of all Class Members will be determined by (i) dividing the Class Member's Balance by the sum of all Class Members' Balances and (ii) multiplying the result by the Net Settlement Amount. The resulting amounts shall be known as the "Preliminary Entitlement Amounts."
- Each Class Member whose Preliminary Entitlement Amount is less than \$10 will receive a distribution of \$10 (the "De Minimis Amount") from the Net Settlement Amount. For the remaining Class Members, the remaining amount of the Net Settlement Amount shall be allocated using the same approach described in above. The resulting calculations will be the "Final Entitlement Amounts" for each Class Member. The sum of the Final Entitlement Amounts for each Class Member will equal the Net Settlement Amount.

**You will not be required to produce records that show your Plan activity.** If you are entitled to a share of the Settlement Fund, your share will be determined based on the Plan's records for your account. If you have questions about the allocation of the Net Settlement Amount, please contact Class Counsel listed on Page 2 above.

QUESTIONS? VISIT [www.401KRetirementPlanSettlement.com](http://www.401KRetirementPlanSettlement.com) CALL TOLL FREE (866) 959-2116  
DO NOT CONTACT THE COURT OR MAGNA WITH YOUR QUESTIONS

## 8. How may I receive a payment?

You do not need to file a claim. If you currently have an account in the Plan, any amounts you are entitled to receive will be added to your Plan account. If you no longer have an account in the Plan, any amounts you are entitled to receive will be sent to you via a check from the Settlement Administrator.

All payments are intended by the Settlement Class to be “restorative payments” in accordance with Internal Revenue Service Revenue Ruling 2002-45. Checks issued to Former Participants will be valid for 180 days from the date of issue. If you are a former Plan participant and have not provided the Plan with your current address, please contact Class Counsel listed on Page 2 above.

Each Class Member who receives a payment under this Agreement will be responsible for payment of any federal, state, or local taxes resulting from or attributable to their payment.

## 9. When would I get my payment?

The Settlement cannot be completed unless several events occur. These events include final approval of the Settlement by the Court, approval of the Settlement by an independent fiduciary to the Plan, transfer of the Net Settlement Amount to the Plan, and calculation of the amount of the Settlement owed to each Settlement Class Member. If objections are made to the Settlement or appeals are taken by objectors who oppose the Settlement, this process may take a long time to complete, possibly several years.

### **There will be no payments if the Agreement is terminated.**

The Agreement may be terminated for several reasons, including if (1) the Court does not approve or materially modifies the Agreement, or (2) the Court approves the Agreement but the approval is reversed or materially modified by an appellate court. If the Agreement is terminated, the Action will proceed again as if the Agreement had not been executed.

The Settlement is not conditioned on the Court’s approval of attorneys’ fees or the reimbursement of expenses/costs sought by Class Counsel, the Case Contribution Awards sought by the Named Plaintiffs, or any appeals solely related to those issues.

## 10. Can I get out of the Settlement?

**You do not have the right to exclude yourself from the Settlement.** The Settlement Class has been certified as a non-opt-out class action under Federal Rule of Civil Procedure 23(b)(1), and the Court has determined that the requirements of that rule have been satisfied. That means Settlement Class Members cannot exclude themselves from the Settlement. As a Settlement Class Member, you will be bound by any judgments or orders that are entered in the Action for all claims that were or could have been asserted in the Action or are otherwise released under the Settlement.

Although you cannot opt out of the Settlement, you can object to the Settlement and ask the Court to reject it. For more information on how to object to the Settlement, see the answer to Question 13 below.

## THE LAWYERS REPRESENTING YOU

## 11. Do I have a Lawyer in the case?

The Court has appointed the law firm of Capozzi Adler, P.C. as Class Counsel in the Action. You will not be charged directly by these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

## 12. How will the Lawyers be paid?

Class Counsel will file a motion for the award of attorneys’ fees of not more than \$966,667, plus reimbursement of no more than \$100,000 in expenses they incurred in prosecuting the Action. These requests will be considered at the Final Approval Hearing described below.

## OBJECTING TO THE ATTORNEYS' FEES

By following the procedures described in the answer to Question 13, you can tell the Court that you do not agree with the fees and expenses the attorneys intend to seek and ask the Court to deny their motion or limit the award.

### 13. How do I tell the Court if I do not like the Settlement?

If you are a Settlement Class Member, you can object to any or all parts of the Settlement. You can explain why you think the Court should not approve it. To object, you must send a letter or other writing saying that you object to the Settlement in *Davis v. Magna International of America, Inc.*, Case No. 2:20-cv-11060 (E.D. Mich.). Be sure to include your name, address, telephone number, signature, and a full explanation of all the reasons why you object to the Settlement. **You must file your objection with the Clerk of the Court of the United States District Court for the Eastern District of Michigan so that it is received no later than December 6, 2024.** The address is:

Clerk of the Court  
Theodore Levin U.S. Courthouse  
231 W. Lafayette Blvd., Room 599  
Detroit, Michigan 48226

The objection must refer prominently to the case name: *Davis v. Magna International of America, Inc.*, Case No. 2:20-cv-11060.

A copy of your objection must also be provided to Class Counsel and Defense Counsel at the following addresses:

Class Counsel  
Mark K. Gyandoh  
Capozzi Adler, P.C.  
312 Old Lancaster Road  
Merion Station, PA 19066  
markg@capozziadler.com

Defense Counsel  
Eric S. Mattson  
Sidley Austin LLP  
One South Dearborn Street  
Chicago, IL 60603  
emattson@sidley.com

## THE FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing to decide whether to approve the Settlement as fair, reasonable, and adequate. You may participate in the Final Approval Hearing, **which may be held telephonically or by video conference**, and you may ask to speak if you have timely asserted an objection, but you do not have to participate in the Final Approval Hearing in order to have your written objection considered. **If you have an objection, you must ensure that it is received in writing by the Court by no later than December 6, 2024.**

### 14. When and where will the Court decide whether to approve the Settlement?

The Final Approval Hearing currently is scheduled for 10:30 am on January 7, 2025, at the United States District Court for the Eastern District of Michigan, Theodore Levin U.S. Courthouse, 231 W. Lafayette Blvd., Room 811, Detroit, Michigan 48226 before the Hon. Nancy G. Edmunds, or any other courtroom the Court may designate. **The Court may adjourn or reschedule the Final Approval Hearing without further notice to the Settlement Class and also may schedule the hearing to be done by telephone or video conference. If you wish to attend, you should confirm the date and time of the Final Approval Hearing with Class Counsel before doing so.** At the hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The Court will also rule on the requests for attorneys' fees and reimbursement of expenses and for Case Contribution Awards for the Named Plaintiffs. The parties do not know how long these decisions will take or whether appeals will be filed.



### 15. Do I have to come to the Hearing?

No, but you are welcome to come at your own expense. If you file an objection, you do not have to come to Court to talk about it. As long as you mailed your written objection on time and it is received by the Court, the Court will consider your objection when it decides whether to approve the Settlement. You also may pay your own lawyer to attend the Final Approval Hearing, but that is also not required.

### 16. May I speak at the Hearing?

If you submit a timely written objection, you may (but do not have to) attend the Final Approval Hearing and explain your objections to the Court. You may attend the Final Approval Hearing even if you do not file a written objection, but you will be allowed to speak at the Final Approval Hearing only if you file a timely written objection and you file a Notice of Intention to Appear, as described in this paragraph. To file a Notice of Intention to Appear, you must file with the Court a letter or other paper called a “Notice of Intention to Appear at Final Approval Hearing in *Davis v. Magna International of America, Inc.*, Case No. 2:20-cv-11060.” Be sure to include your name, address, telephone number, and signature. Your Notice of Intention to Appear must be received by the attorneys listed in the answer to Question 13 above no later than December 30, 2024, and must be filed with the Clerk of the Court at the address listed in the answer to Question 13.

## IF YOU DO NOTHING

### 17. What happens if I do nothing at all?

If you do nothing and you are a Settlement Class Member, you will participate in the Settlement as described above in this Notice.

## GETTING MORE INFORMATION

### 18. Can I get more details about the Settlement?

Yes. This Notice summarizes the proposed Settlement. The complete terms are set forth in the Agreement. You can find the Agreement by visiting [www.401kretirementplansettlement.com](http://www.401kretirementplansettlement.com) checking the Court’s docket, making a written request to Class Counsel listed on Page 2 above, sending an email to [MagnaERISAsettlement@noticeadministrator.com](mailto:MagnaERISAsettlement@noticeadministrator.com), or calling the toll-free number, (866) 959-2116. If you make a written request, please write “Magna Settlement” in the subject line. You are encouraged to read the complete Agreement.

**DO NOT CONTACT THE COURT, THE CLERK’S OFFICE, MAGNA, OR COUNSEL FOR MAGNA ABOUT THIS NOTICE. THEY WILL NOT BE ABLE TO ANSWER YOUR QUESTIONS. INSTEAD, CONTACT CLASS COUNSEL OR THE SETTLEMENT ADMINISTRATOR AT (866) 959-2116, OR VISIT [WWW.401KRETIREMENTPLANSSETTLEMENT.COM](http://WWW.401KRETIREMENTPLANSSETTLEMENT.COM).**