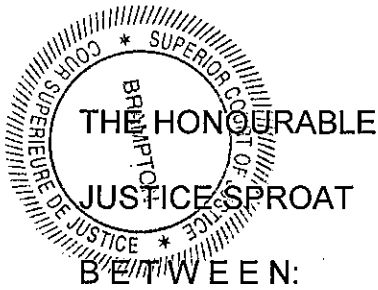


**ONTARIO
SUPERIOR COURT OF JUSTICE**



TUESDAY , THE 19TH
DAY OF JANUARY, 2016

CLAUDETTE WOOD, BRUCE COOK and JOHN FEATHERSTONE

Plaintiffs

and

CTS OF CANADA CO. AND CTS CORPORATION

Defendants

Proceeding under the Class Proceedings Act, 1992

ORDER

THIS MOTION, made by the Plaintiffs for an Order that the within proceeding be certified as a class proceeding, was heard on Tuesday, January 19, 2016, at the court house, 7755 Hurontario Street, Brampton, Ontario, L6W 4T6.

ON READING the materials filed and on hearing the submissions of counsel for the Plaintiffs and counsel for the Defendants, and upon being advised that the Defendants consent to the present Order,

1. **THIS COURT ORDERS** that the within proceeding be certified as a class proceeding pursuant to the *Class Proceedings Act, 1992*, S.O. 1992, c.6.

2. **THIS COURT ORDERS** that the class be defined as:

All persons who were employed by one or both of the Defendants at their facility located at 80 Thomas Street, in Streetsville, Ontario who received notice of termination of their employment at any time on or after April 17, 2014 until final closure of this facility.

This class does not include

- (a) employees who executed a full and final release in favour of the Defendants up to November 30, 2015;
- (b) employees who were dismissed for just cause;
- (c) employees who were absent due to disability; and,
- (d) Ugo Baldassare, the Plant Manager.

3. **THIS COURT ORDERS** that Claudette Wood, Bruce Cook, and John Featherstone be appointed as the representative Plaintiffs.

4. **THIS COURT ORDERS** that the issues listed at Schedule "A" to this Order are common issues for the class.

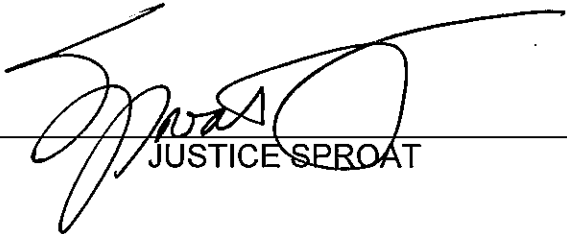
5. **THIS COURT ORDERS** that the Notice referred to in Schedule "B" hereto shall be sent by regular mail and email to all members of the class at their last known address in the form appended in Schedule "B" hereto no later than February 2, 2016.

6. **THIS COURT ORDERS** that a class member who wishes to opt out of the lawsuit must mail to the law firm Cavalluzzo Shilton McIntyre Cornish LLP the Opt Out Coupon contained in Schedule "B" hereto, postmarked no later than March 3, 2016.

7. **THIS COURT ORDERS** that Notice referred to in Schedule "B" hereto shall be posted on the website maintained by Cavalluzzo Shilton McIntyre Cornish LLP in the form

appended in Schedule "B" hereto no later than February 3, 2016 and remain on this website until at least March 3, 2016.

8. **THIS COURT ORDERS** that Cavalluzzo Shilton McIntyre Cornish LLP shall serve on the Defendants' lawyers by March 17, 2016, an Affidavit exhibiting a list of persons who have opted out of this class proceeding.


JUSTICE SPROAT

ENTERED
AT BRAMPTON
JAN 19 2016
BOOK/No. 78-63
INITIALS

SCHEDULE A
COMMON ISSUES¹

Common Employer Issue

- (i) Were the Defendants common employers of the Class Members at the times material to the Action?

Violations of the Employment Standards Act, 2000 [the "ESA"] Issues

- (ii) Did the Defendants, or any one of the Defendants, violate the *ESA* and/or the Regulations thereto by failing to notify the Ministry of Labour of the closure of the Streetsville Plant prior to May 1, 2015?
- (iii) Did the Defendants, or any one of the Defendants, violate the *ESA* and/or the Regulations thereto by failing to post the "Form 1" notification document at the Streetsville Plant prior to May 1, 2015?
- (iv) When were the Defendants, or any one of the Defendants, required to
 - a. notify the Ministry of Labour of the closure of the Streetsville Plant; and,
 - b. post the "Form 1" notification document at the Streetsville Plant?
- (v) Did the Defendants, or any one of the Defendants, violate the *ESA*, and in particular, the severance pay provisions of the *ESA*?
- (vi) If the answer to either (ii) or (iii) or (v) is yes, then:
 - a. Does the violation or violations of the *ESA* and/or the Regulations thereto render the First Severance Letters void?
 - b. Does the violation or violations of the *ESA* and/or the Regulations thereto render the Second Severance Letters void?
 - c. Does the violation or violations of the *ESA* and/or the Regulations thereto render any portion, or the entire portion, of the notice period given to employees from April 17, 2014 onward, void?
 - d. Does the violation or violations of the *ESA* and/or the Regulations thereto result in the Class Members being owed new termination pay or fresh severance pay as provided for in the *ESA*?
 - e. Does the violation or violations of the *ESA* and/or the Regulations thereto result in the Class Members being owed a new reasonable notice period and pay in lieu of such a reasonable notice period?

Breach of Contract

¹ Capitalized words denote terms defined in the Amended Statement of Claim.

- (vii) What are the relevant terms (express, implied, or otherwise) of the Class Members' contracts of employment with the Defendants, or any subset of the Defendants, concerning:
 - a. the term of their employment, notably whether such term was of fixed or indefinite duration?
 - b. the termination of their employment, and whether same requires the provision of reasonable notice prior to termination or pay in lieu thereof?
 - c. the manner in which such employment can be terminated including the obligations of the Defendants or any one of the Defendants to comply with the *ESA* and/or the regulations thereto including the obligations outlined in response to questions (ii) – (v), above?
- (viii) Did the Defendants or any one of the Defendants breach any of those contractual terms? If so, how?
- (ix) Did the Defendants or any one of the Defendants owe a contractual or other duty to act in good faith towards the Class Members in administering its statutory and contractual obligations towards them?
- (x) If the answer to (ix) is yes, then did the Defendants or any one of the Defendants breach this duty of good faith? If so, how?

Remedies, Damages, and Administration of Costs

- (xi) If the answer to any of the foregoing common issues is "yes", what remedies are Class Members entitled to?
- (xii) In assessing damages for the failure to provide reasonable notice of termination or pay in lieu thereof, are the Defendants precluded from relying on any notice they gave prior to their compliance with their obligations under the *ESA*, the regulations thereto, and/or the contract to notify the Ministry of Labour of the closure of the Streetsville Plant and to post the "Form 1" notification document at the Streetsville Plant?
- (xiii) Is the Class entitled to an award of general or aggravated damages based upon the Defendants' conduct?
- (xiv) Is the Class entitled to an award of exemplary or punitive damages based upon the Defendants' conduct?
- (xv) If the answer to question (xiii) and/or (xiv) is "yes", can these damages be determined on an aggregate basis?

- (xvi) If the answer to question (xv) is "yes", what is the appropriate method or procedure for distributing any aggregate general, aggravated, exemplary or punitive damages to Class Members?
- (xvii) Should the Defendants pay the cost of administering and distributing recovery to the Class?

SCHEDULE B – NOTICE

ARE YOU A FORMER EMPLOYEE OF CTS OF CANADA OR CTS CORPORATION WHO WORKED IN STREETSVILLE?

If you are a former employee at CTS at the Streetsville facility located at 80 Thomas Street and if your employment was terminated in 2014 or 2015, **please read this notice carefully as it may affect your legal rights.**

TO: All former CTS of Canada and/or CTS Corporation ["CTS"] employees employed at the facility located at 80 Thomas Street in Streetsville whose employment was terminated when CTS closed the Streetsville facility, other than those who were on LTD benefits when their employment was terminated, those who signed a "Release" in 2015 and received additional compensation from CTS following the termination of their employment, and those who were terminated for just cause.

Summary of Proceeding Claudette Wood, Bruce Cook, and John Featherstone are all former employees of CTS. They have started a class action against CTS.

The claim is that CTS breached legal obligations to CTS employees employed at the Streetsville facility when, in 2014 and 2015, CTS notified these employees that the Streetsville facility was being closed and the employees' employment was to come to an end. The plaintiffs in this Claim ask for damages and declarations and other remedies in a document known as the Amended Statement of Claim.

A copy of the Amended Statement of Claim, other court materials related to the class action, and updates about the class action can be found at www.cavalluzzo.com, by clicking on the "CLASS ACTIONS" tab.

Certification The class action was certified by the Ontario Superior Court of Justice on January 19, 2016 by court order.

The Court has ordered a trial of common issues, that is, on certain legal and factual issues that many or all of you share relating to the closure of the Streetsville facility. Those issues are listed at SCHEDULE A to the Court Order certifying the class action. That Order can also be found at www.cavalluzzo.com, by clicking on the "CLASS ACTIONS" tab.

What Happens Next The Class Action will proceed to trial if it is not settled before trial. If the action is not successful, that result will bind all members of that Class. If the action is successful, or settles before trial, Class Members may be entitled to compensation in the manner in which the Court orders and will be bound by that result.

The retainer agreements between the representative plaintiffs and Class Counsel provide that Class Counsel will pay for all disbursements and indemnify the Class Members for any adverse cost awards. As a result, no Class Member will have to pay for any expenses or legal costs.

However, if the action is successful at trial or is settled, Class Counsel will be entitled to a contingency fee in an amount approved by the Court. The retainers provide that class counsel will be paid by a 25% or 30% contingency fee, plus applicable taxes and disbursements, subject to Court approval. No private or public funding has been sought.

Class Members will receive notice of any major steps in the litigation, including settlement. If the action is settled, you will have an opportunity to "object" to the settlement and the amount of Class Counsel's fees if you do not think they are appropriate.

DISTRIBUTION OF THIS NOTICE HAS BEEN AUTHORIZED BY THE ONTARIO SUPERIOR COURT OF JUSTICE.

Use the following Opt Out Coupon form if you wish to opt out of the class action.

IF YOU WISH TO OPT OUT OF THE CLASS ACTION, YOU MUST SEND THIS OPT OUT COUPON BY MAIL TO CLASS COUNSEL, LISTED BELOW, POSTMARKED NO LATER THAN MARCH 3, 2016.

OPT OUT COUPON

To: **CAVALLUZZO SHILTON
MCINTYRE CORNISH LLP**
Barristers & Solicitors
474 Bathurst Street, Suite 300
Toronto, ON M5T 2S6

Attention:
Sherry Kind, Legal Assistant to Stephen J. Moreau
Phone: 416-964-1115
Email: skind@cavalluzzo.com

I wish to opt out of the *Wood et. al. v. CTS of Canada Co. et al.* class action.

Date of Signature

Signature

Name: _____

(please print)

Address:

CLAUDETTE WOOD, et al.
Plaintiffs

-and- **CTS OF CANADA CO., et al.**
Defendants

Court File No. CV-15-2547-00

**ONTARIO
SUPERIOR COURT OF JUSTICE
PROCEEDING COMMENCED AT
BRAMPTON**

ORDER

CAVALLUZZO SHILTON McINTYRE CORNISH LLP
474 Bathurst Street, Suite 300
Toronto ON M5T 2S6

Stephen J. Moreau, LSUC# 48750Q

Tel: 416-964-1115

Fax: 416-964-5895

Lawyers for the Plaintiffs