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14 *Interim Co-Lead Counsel for Direct Purchaser Plaintiffs*

15 UNITED STATES DISTRICT COURT  
16 NORTHERN DISTRICT OF CALIFORNIA  
17 OAKLAND DIVISION

18 IN RE: LITHIUM ION BATTERIES  
19 ANTITRUST LITIGATION

Case No. 13-md-02420-YGR (DMR)

20 This Document Relates to:

**DECLARATION OF R. ALEXANDER  
SAVERI IN SUPPORT OF FINAL  
APPROVAL OF CLASS ACTION  
SETTLEMENTS WITH SONY  
DEFENDANTS**

21 ALL DIRECT PURCHASER ACTIONS

22 Date: September 6, 2016  
23 Time: 2:00 p.m.  
24 Judge: Hon. Yvonne Gonzalez Rogers  
25 Location: Courtroom 1

1 I, R. Alexander Saveri, declare:

2 1. I am managing partner with Saveri & Saveri, Inc., Co-Lead Counsel for Direct  
3 Purchaser Plaintiffs in this litigation. I am a member of the Bar of the State of California and an  
4 attorney admitted to practice in the Northern District of California. I make this Declaration in  
5 Support of Plaintiffs’ Motion for Final Approval of Class Action Settlement with defendants Sony  
6 Corporation, Sony Energy Devices Corporation, and Sony Electronics, Inc. (collectively “Sony,”  
7 “Sony Defendants,” or “Settling Defendants”). Except as otherwise stated, I have personal  
8 knowledge of the facts stated below.

9 2. Attached hereto as Exhibit 1 is the settlement agreement dated February 1, 2016  
10 between Plaintiffs and the Sony Defendants (“Sony Settlement Agreement”).

11 3. This is the first settlement in this action.

12 4. This Multi-District Litigation arises from an alleged conspiracy to fix the prices of  
13 Lithium Ion Battery Cells (“Li-Ion Cells”). Li-Ion Cells are the main components in Lithium Ion  
14 Batteries (“Li-Ion Batteries”). Li-Ion Batteries are the predominant form of rechargeable batteries  
15 used in portable consumer electronics, powering devices including smartphones, laptop computers,  
16 digital cameras, and cordless power tools. Plaintiffs allege that the conspiracy has been carried out  
17 through agreements to fix prices and restrict output and has been facilitated in a variety of ways,  
18 including face-to-face meetings and other communications, customer allocation, and the use of  
19 trade associations. Two defendants—LG Chem and Sanyo—pled guilty to criminal price fixing of  
20 Li-Ion Cells.

21 5. Plaintiffs’ Second Consolidated Amended Complaint (“SCAC”) alleges a horizontal  
22 conspiracy among the defendants and their co-conspirators to fix prices for Li-Ion Cells from as  
23 early as January 1, 2000 and continued until at least May 31, 2011. Dkt No. 415, Apr. 8, 2014 ¶¶  
24 110–80. The SCAC alleges that Plaintiffs and members of the class are direct purchasers of Li-Ion  
25 Batteries and/or Li-Ion Products from defendants and/or their subsidiaries and were injured  
26 because they paid more than they would have absent defendants’ illegal conspiracy. Plaintiffs seek,  
27 *inter alia*, treble damages pursuant to Section 4 of the Clayton Act, 15 U.S.C. §§ 15 and 22.

1           6.       The Sony Settlement Agreement between Plaintiffs and Sony resolves all claims  
2 related to Li-Ion Batteries and Li-ion Products brought by Plaintiffs against Sony and entities that  
3 are defined in the Sony Settlement Agreement to be “Sony Releasees.”

4           7.       No notices of intent to appear at the fairness hearing were filed by anyone objecting  
5 to the settlement.

6           8.       I participated in the settlement negotiations with Sony. This Sony Settlement  
7 Agreement was the product of arm’s-length negotiations among experienced and well-informed  
8 counsel. Plaintiffs’ negotiations with Sony occurred over a span of several months, involved face-  
9 to-face meetings, and were informed by expert analysis of sales and transactional data. The Sony  
10 Settlement Agreement occurred after briefing two rounds of motions to dismiss and the fruits of  
11 years of discovery. The negotiations were conducted in the utmost good faith, and were guided by  
12 an experienced and effective mediator, Hon. Vaughn R. Walker (retired).

13           9.       In exchange for dismissal with prejudice and a release of all claims asserted in the  
14 SCAC, Sony has agreed to pay \$19,000,000 in cash to settle all direct purchaser claims against it.  
15 The funds have been deposited into a guaranteed escrow account pursuant to the Sony Settlement  
16 Agreement. Nineteen million dollars represents approximately 11% of the estimated Sony  
17 overcharge after excluding opt-outs.

18           10.      Sony’s sales remain in the case for the purpose of computing Plaintiffs’ claims  
19 against the remaining defendants.

20           11.      Sony has agreed to cooperate with Plaintiffs in the prosecution of this action by,  
21 *inter alia*, producing employees for interviews, depositions, and/or testimony at trial and additional  
22 discovery.

23           12.      It is my opinion, based upon my years of experience as counsel in cases similar to  
24 this one, and my knowledge of the factual and legal issues in this case, that the Sony Settlement  
25 Agreement is fair and reasonable, and represents an excellent recovery for the class.

26           13.      The notice plan proposed here is very similar to the notice plans used in *CRT*, *ODD*,  
27 and *LCD*, namely, direct notice to class members identified by defendants via U.S. mail or  
28 electronic mail, publication of a summary notice in the *Wall Street Journal*, a toll-free telephone

1 number, and a case-specific website with links to the Sony Settlement Agreement and other  
2 relevant information and documents.

3 14. Plaintiffs' plan of allocation is as follows: Each settlement class member's *pro rata*  
4 share of the settlement fund will be determined by computing each valid claimant's total  
5 purchase(s) of Li-Ion Batteries and/or Li-Ion Products in proportion to the total claims filed. For  
6 purposes of determining the *pro rata* allocation of settlement fund, purchases will be valued  
7 according to the proportionate value of the Li-Ion Cells contained in the product. The resulting  
8 amounts will be multiplied by the resulting net settlement fund (total settlement amount minus  
9 costs, attorneys' fees and expenses as set forth in paragraph 20(a-d) of the Sony Settlement  
10 Agreement) to determine each claimant's *pro rata* share of the settlement fund.

11 15. Class representatives' claims will be paid according to the same *pro rata* basis as all  
12 other class members that submit a claim.

13 16. The settlement allowed the Sony Defendants, within a specified time, to terminate it  
14 if purchasers amounting to 35% or more of Sony's sales opted out of the settlement. Sony cannot  
15 terminate the settlement because the opt-outs received did not reach the 35% threshold. In any  
16 event, the time to do so has expired.

17 I declare under the penalty of perjury under the laws of the United States of America that the  
18 foregoing is true and correct.

19 Executed on July 29, 2016 in San Francisco, California.

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21 /s/ R. Alexander Saveri  
22 R. Alexander Saveri  
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