NOTICE TO ALL AUTHORIZED DEALERS AND DISTRIBUTORS OF YORK, FRASER-JOHNSTON, LUXAIRE, COLEMAN, EVCON, GUARDIAN, CHAMPION, OR DAYTON BRAND RESIDENTIAL OR LIGHT-COMMERCIAL HVAC SYSTEMS, AIR <u>CONDITIONING OR HEAT PUMP SYSTEMS</u>

As you may be aware, York International Corporation and Johnson Controls Inc. (together with Johnson Controls International plc ("JCI")), have agreed to settle a class action lawsuit filed in the United States District Court for the Middle District of Pennsylvania in which it is alleged that certain York, Fraser-Johnston, Luxaire, Coleman, Evcon, Guardian, Champion, or Dayton brand copper evaporator coils and copper condenser coils manufactured and sold by JCI or any of its Affiliates ("Copper Coils") are defective because they are susceptible to formicary corrosion. Similar lawsuits have been filed against Lennox, Rheem, Goodman, Carrier and others in the industry.

JCI stands behind its products and vigorously denies these allegations. JCI believes that Copper Coils have been used safely by the industry for decades and that copper has a proven track record of consistent, reliable performance. JCI maintains that the occurrence of formicary corrosion is rare, usually the result of concentrations of various chemicals found and used in homes, including construction materials and household cleaners. JCI calculates that a small fraction (less than 2%) of all Copper Coils it has sold since 2010 have failed for any reason, and that fewer than 10% of those failures are believed to have anything to do with formicary corrosion. Still, in order to avoid the time and expense associated with protracted litigation, JCI has agreed to a settlement framework that it believes will benefit its customers and reflect the company's continuing commitment to quality and customer satisfaction.

A copy of the Notice of Class Action Settlement ("Notice") that is being disseminated to the Settlement Class Members in this case is enclosed for your review, and additional information about this Settlement is available at www.jccoppercoilsettlement.com. This Notice and the information available on the website contain all of the pertinent details of the Settlement. Importantly, you are not being asked to determine who is or is not an "Authorized Claimant," nor will you make any decision about who may or may not receive benefits. The purpose of this letter is merely to provide you with an overview of the Settlement terms and the process by which the Court-appointed Settlement Administrator will process claims.

The parties to the lawsuit jointly asked the Court to approve the Settlement, and the Court granted preliminary approval of the Settlement on March 15, 2017. Notice of the Settlement will now go out to the Settlement Class Members, alerting them of their rights under the Settlement. Notice will be made through a variety of methods, including direct mail, publication in magazines, and banners on websites.

The Settlement Class is defined as all individuals and entities in the United States who during the time period from January 1, 2008 to March 15, 2017 purchased an uncoated York, Fraser-Johnston, Luxaire, Coleman, Evcon, Guardian, Champion, or Dayton brand copper evaporator coil or copper condenser coil manufactured and sold by JCI or any of its Affiliates, separately or as part of a split system or packaged residential air handler, condensing unit, or HVAC unit, that is covered by the original limited five year warranty or extended ten year warranty.

The Court will hold a Final Approval Hearing on August 16, 2017, to consider whether to grant

final approval of the Settlement. If the Settlement is approved, it will grant the following benefits to Authorized Claimants:

- 1. Authorized Claimants who prior to March 15, 2017 experienced <u>one</u> failure of their Copper Coil while the Copper Coil was covered by the original limited warranty and incurred any out-of-pocket expenses will receive a \$75 Service Rebate Certificate valid for one year to be used as payment for maintenance on their HVAC system.
- 2. Authorized Claimants who prior to March 15, 2017 experienced <u>two or more</u> failures of their Copper Coil while the Copper Coil was covered by the original limited warranty, and paid for labor, refrigerant, or parts associated with the replacement of their Copper Coils, will receive a check as reimbursement for their out-of-pocket expenses of up to \$550 for each replacement (but no more than \$1,100 for all replacements).
- 3. Authorized Claimants who after March 15, 2017 experience a <u>first</u> failure of their Copper Coil while the Copper Coil is covered by the original limited warranty, will receive at no cost a new replacement coil, plus a \$75 Service Rebate Certificate valid for one year to help defray the cost of the installation of the replacement coil or to be used as payment for maintenance on their HVAC system. Replacement coils for failed evaporator coils will be aluminum (where feasible according to the requirements/specifications for the model/unit at issue) or tin-coated copper. Replacement coils for failed condenser coils will be copper, and will also include a new 8-year Extended Copper Coil Warranty running from the date of installation.
- 4. Authorized Claimants who experience <u>two or more</u> failures of their Copper Coil while the Copper Coil is covered by the original limited warranty, if at least one of the failures occurs after March 15, 2017, and paid for labor, refrigerant, or parts associated with the replacement of their Copper Coils, will receive at no cost a new replacement coil, plus a check as reimbursement for their out-of-pocket expenses of up to \$550 for each replacement (but no more than \$1,100 for all replacements). Replacement coils for failed evaporator coils will be aluminum (where feasible according to the requirements/specifications for the model/unit at issue) or tin-coated copper. Replacement coils for failed condenser coils will be copper, and will also include a new 8-year Extended Copper Coil Warranty running from the date of installation.

Please note that Authorized Claimants who qualify to receive a new replacement coil as set forth above must have the new replacement coil installed by an authorized JCI Dealer or Distributor, and they can use their Service Rebate Certificate or settlement check to help defray the cost of the installation. We will make details available to you about how to complete this process if you are selected by an Authorized Claimant to install their replacement coil.

If a consumer contacts you regarding the Settlement, please refer them to 1-855-510-2035 or www.jccoppercoilsettlement.com, where more detailed information about the Settlement is available. It is important that consumers receive information through the Court-approved processes, so please do not attempt to handle consumer claims or inquiries on your own and please do not refer consumers directly to JCI.

Thank you.