



NEWS RELEASE
For Immediate Release

Settlement Proposed in 407 ETR Late Payment Fee Class Action

TORONTO, MARCH 7, 2003 – 407 ETR and a representative of its customers have reached a proposed settlement of a class action lawsuit related to the company's Late Payment Fee.

As part of the settlement, 407 ETR will offer a \$6 credit on the accounts of up to 840,000 customers who were charged its \$30 Late Payment Fee. 407 ETR will improve its fees associated with the collection of tolls and other charges. As well, anyone who has been charged the Late Payment Fee as a result of an administrative or system error will be eligible for a credit of the entire \$30 fee.

"This settlement is good news for the company and our customers," said Jose Lopez, President and Chief Executive Officer for 407 ETR. "We believe that our old Late Payment Fee would have withstood this legal challenge, but we agree that it can be improved and made more transparent. It is to everyone's benefit to resolve this issue and move forward."

"This is a fair settlement that will provide real benefits to 407 ETR customers who were charged the \$30 Late Payment Fee," said Ken Rosenberg, from Paliare Roland Rosenberg Rothstein LLP, a firm representing the plaintiffs. "As a result of our action, 407 ETR has carefully reviewed its collection costs and practices and is making improvements to its collection policies and fees."

"As a result of this resolution, an expensive and complex court hearing will be avoided, saving the parties, the court and the public a great deal of time, inconvenience and expense," said Kirk Baert, of Koskie Minsky, a firm representing the plaintiffs.

As of April 7, 407 ETR will replace the current Late Payment Fee with fees that are directly tied to the collection costs the company incurs when a customer has not paid a bill for at least three months.

The first fee – called the Collections Fee – will be set at \$12.50 and represents a portion of the company's costs to send a customer who has not paid their bill in three months through the collections process.

At such time as further last resort enforcement measures are implemented, a second fee – the \$12.50 Enforcement Fee – will be charged.

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“The new fees are fair, reasonable and transparent. They reflect the costs we incur to collect overdue accounts from people who fail to pay their bills. It’s only fair that collection costs associated with the small minority of late-paying customers be paid by those individuals and not by the rest of our customers,” said Lopez.

407 ETR acknowledged that – in the past – customers may have had some difficulty contacting the company to enquire about billing issues. However, Lopez said that, in recent months, the company has made significant improvements in customer service levels.

“We have hired more customer service representatives. As a result, since last November, the average waiting time to speak to a representative of our company has been less than 17 seconds,” he said.

As part of the agreement, 407 ETR accepts no admission of liability in agreeing to a settlement and the plaintiffs agree that the old Late Payment Fee did not represent a criminal interest rate or penalty. 407 ETR has also agreed to establish a process to ensure that customers applying for the \$6 credit or \$30 refund are treated fairly and equitably.

Customers who wish to make a claim for the \$6 credit or \$30 refund must complete and return a coupon that will be published in a number of Ontario-based newspapers. The coupon will be published after the proposed settlement is approved by the Court.

A court hearing will be held to consider the proposed settlement on April 23, 2003, before Mr. Justice Warren Winkler in Toronto.

407 International Inc. is the sole shareholder, operator and manager of 407 ETR, which extends 108 kilometres east-west, just north of Toronto. 407 International Inc. is owned by a consortium comprised of the Canadian subsidiary of Cintra Concesiones de Infraestructuras de Transporte (co-owned by Grupo Ferrovial and Australian-headquartered Macquarie Infrastructure Group) and Canadian-based SNC-Lavalin Inc.

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