

Edgar Filing: DONNELLY CORP - Form SC 13D

DONNELLY CORP  
Form SC 13D  
June 27, 2002

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

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SCHEDULE 13D  
UNDER THE SECURITIES EXCHANGE ACT OF 1934\*

DONNELLY CORPORATION  
(Name of Issuer)

CLASS A COMMON STOCK  
(Title of Class of Securities)

257870105  
(CUSIP Number)

J. BRIAN COLBURN  
EXECUTIVE VICE-PRESIDENT, SPECIAL PROJECTS AND SECRETARY  
MAGNA INTERNATIONAL INC.  
337 MAGNA DRIVE  
AURORA, ONTARIO L4G 7K1  
(905) 726-2462  
(Name, Address and Telephone Number of Person  
Authorized to Receive Notices and Communications)

with a copy to:  
SCOTT M. FREEMAN  
SIDLEY AUSTIN BROWN & WOOD LLP  
787 SEVENTH AVENUE  
NEW YORK, NEW YORK 10019  
(212) 839-5300

JUNE 25, 2002  
(Date of Event Which Requires Filing of This Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box / /.

NOTE. Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. SEE Rule 13d-7 for other parties to whom copies are to be sent.

(Continued on following pages)

(Page 1 of 12 Pages)

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\* The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, SEE the

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NOTES) .

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 CUSIP No. 25780105  
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1 NAMES OF REPORTING PERSONS  
 I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

STRONACH TRUST

-----

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\* (a) / /  
 (b) /X/

-----

3 SEC USE ONLY

-----

4 SOURCE OF FUNDS\*

OO

-----

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT  
 TO ITEM 2(d) or 2(e) / /

-----

6 CITIZENSHIP OR PLACE OF ORGANIZATION

ONTARIO, CANADA

-----

|              |       |                          |                |
|--------------|-------|--------------------------|----------------|
| NUMBER OF    | 7     | SOLE VOTING POWER        | 4,553,071      |
| SHARES       | ----- | -----                    | -----          |
| BENEFICIALLY | 8     | SHARED VOTING POWER      | NOT APPLICABLE |
| OWNED BY     | ----- | -----                    | -----          |
| EACH         | 9     | SOLE DISPOSITIVE POWER   | NOT APPLICABLE |
| REPORTING    | ----- | -----                    | -----          |
| PERSON WITH  | 10    | SHARED DISPOSITIVE POWER | NOT APPLICABLE |
|              | ----- | -----                    | -----          |

-----

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

4,553,071

-----

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES  
 CERTAIN SHARES\* / /

-----

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

46%

-----

14 TYPE OF REPORTING PERSON\*

OO

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-----  
 1 NAMES OF REPORTING PERSONS  
 I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)  
  
 445327 ONTARIO LIMITED  
 -----

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\* (a) / /  
 (b) /X/

3 SEC USE ONLY

4 SOURCE OF FUNDS\*  
  
 OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT  
 TO ITEM 2(d) or 2(e) / /

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 ONTARIO, CANADA

|              |    |                          |                |
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| PERSON WITH  | 10 | SHARED DISPOSITIVE POWER | NOT APPLICABLE |

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 46%

14 TYPE OF REPORTING PERSON\*  
  
 CO

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 CUSIP No. 25780105  
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1 NAMES OF REPORTING PERSONS  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

MAGNA INTERNATIONAL INC.

-----

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\* (a) / /  
(b) /X/

-----

3 SEC USE ONLY

-----

4 SOURCE OF FUNDS\*

OO

-----

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT  
TO ITEM 2(d) or 2(e) / /

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6 CITIZENSHIP OR PLACE OF ORGANIZATION

ONTARIO, CANADA

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CERTAIN SHARES\* / /

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46%

-----

14 TYPE OF REPORTING PERSON\*

CO

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ITEM 1. SECURITY AND ISSUER.

This statement relates to shares of Class A Common Stock, par value \$.10 per share (the "Common Stock"), of Donnelly Corporation, a Michigan corporation (the "Company"). The principal executive offices of the Company are

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located at 49 West Third Street, Holland, MI 49423-2813.

ITEM 2. IDENTITY AND BACKGROUND

- (a) This Schedule 13D is being filed by each of the following persons:
- (i) the Stronach Trust, a trust formed under the laws of Ontario, Canada;
  - (ii) 445327 Ontario Limited ("445327"), an Ontario, Canada corporation; and
  - (iii) Magna International Inc. ("Magna"), an Ontario, Canada corporation.
- (b) The principal business address of each of the Stronach Trust and 445327 is 14875 Bayview Avenue, R.R.#2, Aurora, Ontario, Canada, L4G 3C8. The principal business address of Magna is 337 Magna Drive, Aurora, Ontario, Canada, L4G 7K1.
- (c) The Stronach Trust is a family trust which owns all the outstanding shares of 445327. 445327 is a corporation which owns 726,629 Class B Shares, without par value ("Magna Class B Shares"), of Magna, such shares representing approximately 58% of the total votes carried by the total outstanding Class A Subordinate Voting Shares, without par value ("Magna Class A Shares"), of Magna and Magna Class B Shares.
- Magna designs, develops and manufactures automotive systems, assemblies, modules and components and engineers and assembles complete vehicles, primarily for sale to original equipment manufacturers of cars and light trucks in North America, Europe, Mexico, South America and Asia.
- Set forth on Schedule A to this Schedule 13D is the name, business address and present principal occupation or employment for each director and executive officer of Magna pursuant to Item 2(a), (b) and (c), which schedule is incorporated herein by reference.
- (d)-(e) During the last five years, none of the Stronach Trust, 445327 or Magna or, to Magna's knowledge, any person named on Schedule A has been: (i) convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors); or (ii) a party to a civil proceeding of a judicial or administrative body of competent jurisdiction as a result of which, he, she or it was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, Federal or State securities laws or finding any violation with respect to such laws.



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On June 25, 2002, Magna, Magna Mirrors Acquisition Corp., a Michigan corporation and a wholly owned subsidiary of Magna ("Sub"), and the Company executed a definitive Agreement and Plan of Merger (the "Merger Agreement") providing for the acquisition of the Company by Magna pursuant to a merger of Sub with and into the Company (the "Merger"). As a result of the Merger, each outstanding share of Company Stock, other than shares held by Magna, Sub or any wholly owned subsidiary of Magna, Sub or the Company, will be converted into the right to receive a fraction of a Magna Class A Share and the Company will become a wholly owned subsidiary of Magna. As an inducement for Magna to enter into the Merger Agreement, the Shareholders entered into the Shareholders' Agreement described in Item 3 above.

At the effective time of the Merger, the directors of the Surviving Corporation shall be the current directors of Sub, each to hold office until his or her successor is duly elected and qualified, and the officers of the Surviving Corporation shall be the current officers of Sub, each to hold office until his or her successor is duly elected and qualified.

Upon the closing of the Merger, the Common Stock will be deregistered under the Exchange Act of 1934, as amended, and delisted from the New York Stock Exchange (the "NYSE"). If the Merger is consummated as planned, the Magna Class A Shares issuable in connection with the Merger will be authorized for listing on the NYSE and on The Toronto Stock Exchange, subject to official notice of issuance.

Other than as described or contemplated above, none of the Stronach Trust, 445327 or Magna has any current plans or proposals that relate to or would result in:

- (a) the acquisition by any person of additional securities of the Company, or the disposition of securities of the Company;
- (b) an extraordinary corporate transaction, such as a merger, reorganization or liquidation, involving the Company or any of its subsidiaries;
- (c) a sale or transfer of a material amount of assets of the Company or any of its subsidiaries;
- (d) any change in the present board of directors or management of the Company, including any plans or proposals to change the number or term of directors or to fill any existing vacancies on the board;
- (e) any material change in the present capitalization or dividend policy of the Company;
- (f) any other material change in the Company's business or corporate structure;
- (g) changes in the Company's charter, bylaws or instruments corresponding thereto or other actions which may impede the acquisition of control of the Company by any person;

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- (h) causing a class of securities of the Company to be delisted from a national securities exchange or to cease to be authorized to be quoted in an inter-dealer quotation system of a registered national securities association;
- (i) a class of equity securities of the Company becoming eligible for termination of registration pursuant to Section 12(g) (4) of the Securities Exchange Act of 1934; or
- (j) any action similar to any of those enumerated above.

### ITEM 5. INTEREST IN SECURITIES OF THE ISSUER.

- (a)-(b) In the Merger Agreement, the Company represented and warranted that, as of June 7, 2002, the Company had 6,563,493 shares of Common Stock issued and outstanding. As a result of the Shareholders' Agreement, each of Magna, the Stronach Trust and 445327 may be deemed to be the beneficial owner of 4,553,071 shares of Common Stock (the "Shares"). Such Shares constitute approximately 46% of the issued and outstanding shares of Common Stock based on the number of shares of Common Stock outstanding as of June 7, 2002, assuming the conversion of the 3,249,649 shares of Class B Common Stock owned or controlled by the Shareholders into Common Stock. Each of Magna, the Stronach Trust and 445327 may be deemed to have the sole power to vote or direct the vote of the Shares with respect to those matters described above. However, none of Magna, the Stronach Trust or 445327 has the power to dispose of or direct the disposition of the Shares and, other than the power to vote conferred by the Shareholders' Agreement, is not entitled to any rights as a shareholder of the Company as to the Shares and each disclaims any beneficial ownership of the Shares.
- (c) Except for entering into the Merger Agreement and related agreements, none of Magna, the Stronach Trust or 445327 has effected any transaction in the Common Stock during the past 60 days, and, to the best of Magna's knowledge, no person named in Schedule A has effected any transactions in the Common Stock during the past 60 days.
- (d) Except for the Shareholders, no other person is known to Magna, the Stronach Trust or 445327 to have the right to receive or the power to direct the receipt of dividends from, or proceeds from the sale of, any shares of Common Stock.
- (e) Not applicable.

### ITEM 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO SECURITIES OF THE ISSUER.

For a summary of the material provisions of the Shareholders' Agreement, please see Item 3. This summary is not intended to be complete and reference is made to the Shareholders' Agreement, included as Exhibit 99.2, for a complete description of the



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arrangements with respect to the Common Stock. The Shareholders' Agreement will terminate and be of no further force and effect upon a valid termination of the Merger Agreement pursuant to its terms.

ITEM 7. MATERIAL TO BE FILED AS EXHIBITS.

Exhibit 99.1 Agreement and Plan of Merger dated as of June 25, 2002, among Magna International Inc., an Ontario corporation, Magna Mirrors Acquisition Corp., a Michigan corporation, and Donnelly Corporation, a Michigan corporation.

Exhibit 99.2 Shareholders' Agreement dated as of June 25, 2002, among Magna International Inc., an Ontario corporation, Magna Mirrors Acquisition Corp., a Michigan corporation, Donnelly Export Corporation, a Michigan corporation, and the other persons listed on the signature pages thereof.

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SIGNATURE

After reasonable inquiry and to the best of the undersigned's knowledge and belief, each of the undersigned certifies as to itself that the information set forth in this statement is true, complete and correct.

Dated: June 27, 2002

THE STRONACH TRUST

By: \_\_\_\_\_  
Belinda Stronach  
Trustee

445327 ONTARIO LIMITED

By: \_\_\_\_\_  
Belinda Stronach  
Vice-President

MAGNA INTERNATIONAL INC.

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By: \_\_\_\_\_  
 Jeffrey O. Palmer  
 Executive Vice-President

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SCHEDULE A

| NAME AND BUSINESS ADDRESS<br>-----   | PRESENT PRINCIPAL OCCUPATION<br>-----   |   |
|--|---|---|
| Frank Stronach<br>Magna-Strasse 1, 2552<br>Oberwaltersdorf, Austria  | Partner, Stronach & Co.; Chairman of the Board<br>of Magna                                | C |
| Manfred Gingl<br>1000 Tesma Way<br>Concord, Ontario<br>Canada L4K 5R8  | Chief Executive Officer, Tesma International<br>Inc.; Executive Vice-Chairman of<br>Magna | C |
| Siegfried Wolf<br>Magna-Strasse 1, 2552<br>Oberwaltersdorf, Austria  | President and Chief Executive Officer, Magna<br>Steyr; Executive Vice-Chairman of Magna   | A |
| Belinda Stronach*  | President and Chief Executive Officer of Magna  | C |
| William G. Davis<br>Torys<br>Suite 3000<br>Maritime Life Tower<br>79 Wellington Street West<br>Toronto-Dominion Centre<br>Toronto, Ontario M5K 1N2 | Counsel, Torys; Director of Magna   | C |
| William H. Fike<br>15630 Queensferry Drive<br>Ft. Myers, Florida 33912   | Consultant; Director of Magna   | U |
| Edward C. Lumley<br>BMO Nesbitt Burns<br>1 First Canadian Place<br>4th Floor<br>Toronto, Ontario M5X 1H3   | Vice-Chairman, BMO Nesbitt Burns; Director of<br>Magna                                    | C |
| Karlheinz Muhr<br>Volaris Advisors<br>10 E. 50th St., 29th Floor<br>New York, New York 10022   | Chairman and Chief Executive Officer, Volaris<br>Advisors; Director of Magna              | A |

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Gerhard Randa  
Bank Austria AG  
Vordere Zollamtssra(beta)e 13  
A-1030 Vienna, Austria

Chairman and Chief Executive Officer, Bank  
Austria AG; Director of Magna

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CUSIP No. 25780105  
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NAME AND BUSINESS ADDRESS  
-----

PRESENT PRINCIPAL OCCUPATION  
-----

Donald Resnick  
2727 Yonge Street, Apt. 614  
Toronto, Ontario M4N 3R6

Director of Magna

Royden R. Richardson  
RBQ Limited  
Royal Trust Tower, 38thFloor  
77 King Street West  
Toronto-Dominion Centre  
Toronto, Ontario M5K 1H1

President, RBQ Limited; Director of Magna

Franz Vranitzky  
Westdeutsche Landesbank  
Fuhrichgasse 8/TOP11  
A-1010 Vienna, Austria

Director of Magna

William J. Biggar\*

Executive Vice-President, Office of the CEO of  
Magna

David Carroll\*

Executive Vice-President, Marketing and  
Corporate Planning of Magna

J. Brian Colburn\*

Executive Vice-President, Special Projects and  
Secretary of Magna

Werner Czernohorsky\*

Executive Vice-President and Director of  
Internal Audit of Magna

Vincent J. Galifi\*

Executive Vice-President, Finance and Chief  
Financial Officer of Magna

Peter Koob\*

Executive Vice-President, Corporate Development  
of Magna

Jeffrey O. Palmer\*

Executive Vice-President of Magna

Tom Skudutis\*

Executive Vice-President, Operations of Magna

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\*The present principal business address for this person is c/o Magna  
International Inc., 337 Magna Drive, Aurora, Ontario, Canada, L4G 7K1.