

If you purchased or leased a model year 2003-2007 Ford vehicle anywhere in Canada equipped with a 6.0-litre PowerStroke diesel engine your legal rights will be affected by a proposed class action settlement and you should read this notice carefully.

Class action proceeding lawsuits were initiated in Ontario and Quebec on behalf of owners and lessees (and former owners and lessees) of Ford vehicles equipped with these engines. Ford has denied all allegations of wrongdoing asserted in these actions, including any claims that the engines are defective, or that Ford is liable to any member of the proposed class. Nonetheless, Ford has agreed, in a national settlement agreement that settles all litigation in Canada relating to these vehicles, to provide partial reimbursement for post-warranty repairs to certain engine components or reimbursement of certain deductibles paid.

Hearings have been scheduled in Ontario for October 26, 2016 and Quebec for October 27, 2016 to seek approval by the courts of the settlement agreement. If you are an owner or lessee (or a former owner or lessee) of one or more of these vehicles, you have the right to make submissions to the courts as to the fairness of the proposed settlement.

If the settlement agreement is approved by the courts, you will subsequently have a right to exclude yourself from the class by opting out of the class proceedings. If you do not opt out, you will be entitled to receive any benefits described in the settlement agreement and this Notice. You will also be bound by the settlement and will be deemed to have released any claims that you may have against Ford Motor Company, Ford Motor Company of Canada, Limited and others as described in the settlement agreement.

SUBMITTING CLAIMS FOR CASH PAYMENT - To file a claim for cash payment, if eligible, and to learn more about your potential benefits visit www.dieselsettlement.ca or call **1-844-447-7249** (Toll Free). A Claim Form is currently available on the Settlement Website. Valid claims that are complete and submitted in a timely way will be paid subject to Approvals of the Settlement by the Ontario Superior Court of Justice and the Quebec Superior Court. If you intend to submit a claim, you must do so before the expiry of the Claim Period, which will be posted on the Settlement Website.

Your Claim must be sent to the Claims Administrator at the following address:

**CANADIAN NAVISTAR DIESEL ENGINE CLASS ACTION SETTLEMENT
CLAIMS ADMINISTRATION CENTER
P.O. Box 37 Windsor A, Windsor, Ontario, Canada, N9A 6J5**

Your Legal Rights and Options in this Settlement:

- **Do nothing** – no action is required if you wish to participate in the proposed Settlement; if you qualify and wish to seek reimbursement, you will need to submit a claim form and supporting information if the Settlement is approved.
 - **Object or Comment** – you may write to the Claims Administrator and/or Class Counsel about why you do, or do not, support the proposed Settlement or any of its provisions. Any objections or comment made in writing will be provided to the Courts at the hearings to approve the Settlement.
 - **Attend the Hearing** – you may ask to speak to the Ontario Superior Court of Justice and/or the Quebec Superior Court about the fairness of the Proposed Settlement.
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1. The Proceedings:

Class action proceeding lawsuits were initiated in Ontario and Quebec on behalf of owners and lessees (and former owners and lessees) of Ford vehicles equipped with Navistar's 6.0-litre PowerStroke diesel engine (the "6.0L Engine"). The Proceeding in Quebec Superior Court (Montreal) was commenced on May 20, 2011 by a Motion to Authorize the Bringing of a Class Action and to Ascribe the Status of Representative and the Proceeding in the Ontario Superior Court of Justice (Ottawa) was commenced by statement of claim issued September 14, 2012.

In these Proceedings, the plaintiffs make allegations of quality, design, manufacturing and reliability defects in the Ford vehicles equipped with 6.0L engines installed primarily in 2003-2007 heavy duty Ford trucks and vans. The plaintiffs assert a variety of legal claims against Ford Motor Company and Ford Motor Company of Canada, Limited (collectively "Ford") based on the engine's design and Ford's repair practices. The plaintiffs seek to pursue their lawsuits as class actions on behalf of other owners and lessees of model year 2003 – 2007 Ford vehicles equipped with the 6.0L Engine ("Class Vehicles").

2. Ford's Position:

Ford has denied and continues to deny the claims and allegations made in the Proceedings. Ford has denied and continues to deny any liability to the plaintiffs and the Class Members in the Proceedings, including claims that the engines are defective and that Ford is liable to any buyer, lessee, or operator of the Class Vehicles under any legal claim. Nonetheless, Ford has agreed to settle the Proceedings. Under the terms of the Settlement, Ford Motor Company of Canada, Limited will provide the benefits described in this Notice.

3. Notice:

This Notice informs Class Members of the Proceedings and the proposed Settlement, and describes the Class Members' rights and options.

4. Class:

The following Class definition is proposed in the Settlement Agreement:

All Persons resident in Canada, who currently own or lease (or who in the past owned or leased) a model year 2003-2007 Ford vehicle sold or leased in Canada and equipped with a 6.0L Engine.

Excluded from the Class are:

- (a) all Persons resident in Canada who elect to exclude themselves from the Class by effectively opting out in accordance with the terms of this Agreement;
- (b) all persons who have previously executed and delivered to Ford Motor Company and/or Ford Motor Company of Canada, Limited a release or releases of all of their claims; and
- (c) all Persons who, prior to the commencement of the Settlement Approval Hearings, (i) filed an individual lawsuit (i.e. a lawsuit that does not seek certification or authorization of a class proceeding) in any court asserting causes of action of any nature based upon the 6.0L Engine in a Class Vehicle and (ii) have not voluntarily dismissed or discontinued such lawsuit without prejudice.

5. Settlement Benefits:

If the Courts approve the proposed Settlement at the Settlement Approval Hearings scheduled for **October 26, 2016** in the Ontario Superior Court of Justice and **October 27, 2016** in the Quebec Superior Court, Ford Motor Company of Canada, Limited will provide one of the following two benefits to Class Members (Settlement Class Members can seek one, but not both, of these benefits):

- (a) **Reimbursement for Post Warranty Repairs to Certain Engine Components:** If the Class Vehicle required repair to the EGR cooler, oil cooler, EGR valve, turbo charger or fuel injector after the original 5 year/160,000 kilometer warranty expired, but before 6 years or 215,000 kilometers (whichever comes first), Ford Motor Company of Canada, Limited will reimburse the Class Member repair expenses up to the limit specified below, provided that the Class Vehicle previously received a repair to that same component that was covered by Ford's original warranty. (If either the EGR cooler or the oil cooler received a repair covered by the original warranty, both components will be eligible for reimbursement of post-warranty repairs.)

To be eligible for reimbursement, a repair must have been of the type covered by the original Ford Warranty (e.g., it was not caused by owner abuse or misuse, including failure to follow prescribed maintenance schedules or making unauthorized modifications to the engine).

Component	Reimbursement Limit (incl. taxes)
EGR Cooler	\$475.00
Oil Cooler	\$525.00
Oil Cooler and EGR Cooler	\$825.00
EGR Valve	\$200.00
Turbocharger	\$750.00
Fuel Injector	\$375.00 for the 1st Injector \$125.00 for each Additional Injector

- (b) **Reimbursement of Deductibles:** If a Class Member paid a \$100 deductible more than once for repairs under the 5 year/160,000 kilometer engine warranty, Ford Motor Company of Canada, Limited will reimburse \$50 each for the second through fifth deductible paid, up to a limit of \$200 for four deductible payments.

You will receive these benefits only if the Courts approve the proposed settlement following the Settlement Approval Hearings and only if you remain a member of the Class. If you exclude yourself from the Settlement or fail to submit a valid claim, you will receive no benefits.

To review the full Settlement Agreement, to monitor the status of the proposed Settlement, to learn if and when it is approved, make a claim, you may visit the following website www.dieselsettlement.ca or contact Class Counsel:

Jeff Orenstein
Consumer Law Group Inc.
1030 rue Berri
Montreal, QC H2L 4C3
Phone: 1-888-909-7863 Toll Free
514-266-7863 Montreal
416-479-4493 Toronto
613- 627-4894 Ottawa
Email: jorenstein@clg.org
Website: www.clg.org

Note: Claim forms will be available immediately on the website or from Class Counsel but will not be processed until the Settlement is approved.

6. Lawyer's Fees and Expenses:

Class Counsel has pursued the Proceedings on a contingent basis and has paid all costs of the Proceedings. Class Counsel has not been paid or recovered any of its expenses. As part of the proposed Settlement, Class Counsel will ask the Ontario Superior Court of Justice to award them lawyer's fees and expenses in connection with the Proceedings of \$750,000 inclusive of all fees,

expenses and taxes. The Court will decide the amount of the fee award and the expense award. None of these payments will reduce the benefits to you, as a Class Member. Ford will pay any money the Courts award to Class Counsel.

7. Your Options:

If you are a member of the Class, you have the following options:

- (a) **Do Nothing:** If you agree with the proposed Settlement, you do not need to take any immediate action. If the Courts approve the Settlement, you may submit your claim to the Claims Administrator and, provided your claim is valid, complete, and submitted in a timely way, you will receive all benefits to which you are entitled under the Settlement. You will also release all legal claims against Ford based on the 6.0L Engine.

You may, if you wish, comment in favour of the settlement by sending your comment to Class Counsel: at Jeff Orenstein of Consumer Law Group Inc., 1030 rue Berri, Montreal, QC H2L 4C3

- (b) **Object:** If you are a member of the Class, you may object to the proposed Settlement or to Class Counsel's request for lawyer's fees and expenses. You may, but need not, select a lawyer to appear at one or both of the Settlement Approval Hearings on your behalf. If you do retain a lawyer, you will be responsible for your own lawyer's fees and expenses.

If you object to the proposed Settlement, you must submit your objection in writing to the Claims Administrator on or before October 18, 2016 in Ontario and on or before October 19, 2016 in Quebec. Your written objection must include: (i) your full name, address, and telephone number; (ii) the year, model, and vehicle identification number of your Class Vehicle, along with a copy of the Class Vehicle's ownership registration; (iii) a written statement of all reasons for your objection accompanied by any legal support (iv) copies of any papers, briefs, or other documents on which your objection is based; (v) the name, address, email address, and telephone number of all lawyers representing you; (vi) a statement indicating whether you or your lawyer intend to appear at a Settlement Approval Hearing and, if so, a list of any persons you will call to testify in support of your objection; and (vii) your signature (or your lawyer's signature if you are represented by counsel). Your objection must be sent to the Claims Administrator to the following address:

**CANADIAN NAVISTAR DIESEL ENGINE CLASS ACTION
SETTLEMENT
CLAIMS ADMINISTRATION CENTER
P.O. Box 37 Windsor A, Windsor, Ontario, Canada, N9A 6J5**

Class Members who do not make their objections in a timely manner will waive all objections, their right to comment at the Settlement Approval Hearings and their right to appeal approval of the Settlement unless a Court orders otherwise.

8. Result if Courts Approve Settlement:

If the Courts approve the proposed Settlement, you will subsequently have the right to exclude yourself from the class proceedings by opting-out. The procedures for opting-out will be set by the Court and posted on www.dieselsettlement.ca following the approval of the settlement.

Ford Motor Company of Canada, Limited will provide the benefits described above to the Class Members who have not excluded themselves from the Class by opting-out. Class Members who do not exclude themselves will be barred from pursuing lawsuits against Ford Motor Company or Ford Motor Company of Canada, Limited or others based on the 6.0L Engine in the Class Vehicles.

Therefore, if you want to bring your own lawsuit against Ford Motor Company or Ford Motor Company of Canada, Limited or others released in this settlement in relation to the 6.0L Engines in Class Vehicles, you must exclude yourself from this settlement.

9. Settlement Approval Hearings:

Settlement Approval Hearings will be held in the Ontario Superior Court of Justice and the Quebec Superior Court, where the Courts will hear argument about whether the proposed Settlement is fair, reasonable, and adequate, and whether it should be approved and, if so, what amount of fees and expenses should be awarded to Class Counsel.

The Settlement Approval Hearing in the Ontario Superior Court of Justice is currently scheduled to proceed on October 26, 2016 at 10:00 am at the Court House, 59 Court St., L'Original, Ontario. The Settlement Approval Hearing in respect of the Quebec Proceeding is currently scheduled to proceed on October 27, 2016, 2016 at 9:30 am in the Montreal Courthouse, 1, Notre-Dame Street East, Montreal, Quebec.

The time, date and location of these hearings may change. Any change will be posted on www.dieselsettlement.ca. If you plan to attend either of the hearings, you should confirm its time, date, and location before making any plans.

10. Additional Information:

For additional information, or for a copy of the full Settlement Agreement, the request for lawyer's fees and expense and other key Court documents, you may visit www.dieselsettlement.ca or contact Class Counsel

Jeff Orenstein
Consumer Law Group Inc.
1030 rue Berri
Montreal, QC H2L 4C3
Phone: 1-888-909-7863 Toll Free
514-266-7863 Montreal

416-479-4493 Toronto
613- 627-4894 Ottawa
Email: jorenstein@clg.org
Website: www.clg.org

11. Interpretation:

If there is a conflict between the provisions of this Notice and the Settlement Agreement, the terms of the Settlement Agreement will prevail. The Settlement Agreement is available online at www.dieselsettlement.ca.

THIS NOTICE HAS BEEN AUTHORIZED BY THE ONTARIO SUPERIOR COURT OF JUSTICE AND THE QUEBEC SUPERIOR COURT AND IT IS BEING DESSEMINATED IN ACCORDANCE WITH ORDERS OF THESE COURTS.