

LONG-FORM NOTICE

LEGAL NOTICE AUTHORIZED BY THE SUPREME COURT OF BRITISH COLUMBIA

NAVISTAR MAXXFORCE ENGINE CLASS ACTION AND PROPOSED SETTLEMENT

TO: All persons and entities in Canada, excluding Québec, who on or before February 24, 2022, purchased or leased for more than 30 days, one or more 2011-2014 model year Navistar vehicles equipped with a MaxxForce 11-, 13-, or 15-litre engine.

Your legal rights may be affected whether you act or don't act. Read this notice carefully.

If you think you may be a member of the Settlement Class, your legal rights could be affected by a proposed settlement.

If the Settlement is approved, depending on your months of ownership or lease, you may be entitled to up to \$2,500 cash per class vehicle, up to a \$10,000 rebate for a new heavy-duty Navistar truck, or up to \$15,000 as reimbursement for certain proven costs.

What is the lawsuit about?

A class action lawsuit was commenced in British Columbia (the "Action") against Navistar Canada ULC, Navistar, Inc., Navistar International Corporation, and Harbour International Trucks Ltd. (the "Defendants" on behalf of all persons in Canada (excluding Québec) who owned or leased 2011-2014 model year Navistar vehicles equipped with a MaxxForce 11-, 13-, or 15-litre engine. The Action claims that the Defendants sold or leased vehicles equipped with a defective EGR emissions system. The Defendants deny these allegations but have agreed to a settlement with the plaintiffs (the "Settlement"). The Settlement must be approved by the Supreme Court of British Columbia.

You may elect to:

- 1. Do Nothing (Participate):** If you think you are eligible to be a Settlement Class Member and do nothing, you will be automatically included in the class. You will also be included in the Settlement if it is approved by the Court and will be notified with instructions on how to make a claim.
- 2. Opt Out (Exclude Yourself):** If you think you are a member of the Settlement Class but do not wish to participate in the Action or the Settlement, you may "opt out" of the Action. You must provide notice to the Settlement Administrator by November 17, 2023. If you do not opt out by November 17, 2023, you will be bound by the outcome of the Action, including the Settlement (if approved). If you opt out, the lawsuit and the Settlement will not affect you.
- 3. Object or Comment:** If you want to remain in the Settlement Class but have comments or an objection to the Settlement, you may provide your objections or comments. The Court will consider any filed objection or comment when deciding whether to approve the Settlement. You may object to the Settlement by providing notice of your objection to Class Counsel by November 17, 2023. Class Counsel will forward any submissions received to the Court.

BASIC INFORMATION

What is a class action?

A class action is a lawsuit filed by one or more people called representative plaintiff(s), on behalf of other people who have similar claims. The people together form a class or class members. The companies they sued are called the Defendants. One court resolves legal issues common to everyone in the class, except for those people who choose to exclude themselves, or opt out, of the Settlement Class.

N&C Transportation Ltd. is the representative plaintiff in this Action.

Why did I receive a notice?

You received notice because our records indicate that you may be a Settlement Class Member. If you are a Settlement Class Member and do not exclude yourself ("opt out"), the outcome of the Action will affect you.

This notice and the short-form notice have been approved by the Supreme Court of British Columbia (the "Court") to notify potential Settlement Class Members of their rights.

What is this lawsuit about?

The Action claims that Defendants sold or leased vehicles equipped with a 2011-2014 model year MaxxFORCE 11-, 13-, and 15-litre diesel engine that had a defective EGR emissions system. These are called “Class Vehicles”. The Defendants deny all of the allegations in the Action and that they did anything wrong. The lawsuit seeks damages (money) for the Settlement Class.

The Action is referred to as *N&C Transportation Ltd. v. Navistar International Corporation*, Supreme Court of British Columbia Action No. S144960, Vancouver Registry.

What is a settlement?

A settlement is when a defendant agrees to pay money to the members of the class action in exchange for having the case against it dismissed.

The Court did not decide in favor of the representative plaintiff or the Defendants. Instead, both sides agreed to resolve the litigation with a settlement. That way, they avoid the risk and cost of a trial, and the people and entities affected will get compensation. The representative plaintiff and Class Counsel believe the proposed Settlement confers substantial benefits on the Settlement Class and have determined that it is in their best interest, because it represents a fair, reasonable, and adequate resolution of the Action.

The Defendants deny the claims in the Action. This means that they deny all allegations of wrongdoing, fault, liability, or damage to the representative plaintiff and the Settlement Class and deny that they acted improperly or wrongfully in any way. The Defendants nevertheless recognize the expense and time that would be required to defend the Action through trial and have taken this into account in agreeing to this Settlement. The Settlement, if approved, will resolve all outstanding class litigation against the Defendants on a national basis including similar cases previously brought by lawyers in Ontario, Alberta and Manitoba.

The Settlement must be approved by the Court to become effective.

WHO IS IN THE SETTLEMENT CLASS

This notice and the lawsuit affects you only if you are part of the Settlement Class.

How do I know if I am part of the class?

The Court decided that everyone who meets the following definition is a Settlement Class Member:

All natural persons or entities resident in Canada, but not resident in Québec, who on or before February 24, 2022, purchased or leased for more than 30 days, one or more Class Vehicles EXCLUDING: (1) all Persons that have litigated claims involving Class Vehicles’ allegedly defective EGR emissions system against one or more Defendants to final, nonappealable judgment (with respect to those vehicles only); (2) all Persons who, via a settlement or otherwise, delivered to one or more Defendants releases of their claims involving Class Vehicles’ allegedly defective EGR emissions system (with respect to those vehicles only) including, for greater certainty, through a settlement of *4037308 Canada Inc. v. Navistar Canada Inc.*, Superior Court of Québec File No. 500-06-000720-140, District of Montréal; (3) the Defendants’ employees, officers, directors, agents, and representatives, and their family members; (4) any Authorized Navistar Dealer of new or used vehicles; (5) any Person that purchased a Class Vehicle solely for the purposes of resale or to finance a sale or leasing agreement (with respect to those vehicles only); (6) Idealease and Navistar Leasing Co.; and (7) any person or entity that was a lessee of a Class Vehicle for 30 days or less.

What vehicles are included?

“Class Vehicle(s)” means all Navistar vehicles equipped with MaxxFORCE 11-, 13-, or 15-litre engines certified to comply with the 2010 EPA standards, without the use of selective catalytic reduction technology. The Class Vehicles are 2011-2014 model year vehicles. This includes the following Navistar truck brands: “PAYSTAR”, “WORKSTAR”, “TRANSTAR”, “9900i”, “LONESTAR”, and “PROSTAR”.

If you believe that you are a Settlement Class Member, please locate and retain copies of any documents relating to your purchase or lease of a Class Vehicle(s). These will be required to make a claim for money or a rebate from the Settlement, once it is approved by the Court. If you have questions about what documents you should retain, please contact the Settlement Administrator at navistarsettlement@ricepoint.com or 1-866-573-2710.

I’m still not sure if I’m included.

This notice contains only a summary of the Settlement and Settlement Class Members are encouraged to review the complete Settlement Agreement online. A copy can be downloaded from the settlement website at www.navistarsettlement.ca.

If you would like a copy of the Settlement Agreement or have questions that are not answered online, please contact the appropriate Class Counsel or Settlement Administrator, at the information identified below. **Inquiries should not be directed to the Court.**

THE SETTLEMENT

The Settlement requires the payment of CAD \$13,775,000 cash (the “Cash Amount”), and CAD \$725,000 towards rebates (the “Rebate Amount”), to a collective total of CAD \$14,500,000 for the benefit of the Settlement Class (the “Settlement Amount”).

The Cash Amount, minus Court-approved Class Counsel fees, disbursements, administration costs and applicable taxes, will be held in an interest-bearing trust account for the benefit of Settlement Class Members until distribution (the “Cash Funds”, and together with the Rebate Amount, the “Settlement Funds”).

Once approved, a separate notice will announce the process for Settlement Class Members to submit a claim form to obtain money from the Settlement. If approved, the Settlement Funds will be distributed at a later date. If the Settlement is approved, it will bind all Settlement Class Members who have not excluded themselves and end the Action.

What can I get if the Settlement is approved?

If the Settlement is approved you may choose only one of the following three options for compensation for each Class Vehicle you own(ed), or lease(d) for more than 30 days:

Cash Option: The cash option provides a payment up to \$2,500 per Class Vehicle based on months of ownership or lease. Each demonstrated month of ownership or lease is eligible for the following amounts, subject to certain limitations:

| Class Vehicle Model Year | Monetary Amount |
|--------------------------|-----------------|
| 2011 | \$19.38/month |
| 2012 | \$21.37/month |
| 2013 | \$23.81/month |
| 2014 | \$26.88/month |

Rebate Option: The rebate option provides a rebate worth up to \$10,000 towards the purchase of a new Navistar Class 8 heavy-duty truck, based on months of ownership or lease of a Class Vehicle. The rebate(s) are deducted from the best negotiated retail purchase price (not including sales tax or delivery fees) and in addition to any other applicable promotion, rebate, or discount then in effect at the time of purchase and for which both the purchase and the purchaser would otherwise qualify. The rebate(s) are not transferable and not stackable, and no Settlement Class Member will be issued more than ten (10) rebates. Each demonstrated month of ownership or lease is eligible for the following rebate amounts, up to \$10,000, subject to certain limitations:

| Class Vehicle Model Year | Monetary Amount |
|--------------------------|-----------------|
| 2011 | \$77.52/month |
| 2012 | \$85.47/month |
| 2013 | \$95.24/month |
| 2014 | \$107.53/month |

Individual Prove-Up Option: The individual prove-up option provides the option to prove up to \$15,000 of “Covered Costs” per Class Vehicle. Any Settlement Class Member who initially selects the individual prove-up option may instead switch to the cash option at any time prior to the final determination of their award. The amount of potential compensation is dependent on the number of kilometers accumulated on the Class Vehicle(s), qualifying as a “Covered Event”, and meeting the requirement of certain “Covered Costs”.

There are various categories of Covered Events and Covered Costs. These include:

- a service event for repair or replacement of an EGR cooler or EGR valve;
- a service event for repair or replacement of secondary components within 30 days of replacement of an EGR cooler or EGR valve; and,
- costs actually incurred as a result of the above service events, such as: parts and labour, towing, rental trucks, lost load revenue, travel costs, wages, permits, and loading/unloading.

For the complete list of Covered Events, Covered Costs, and their conditions, please view the complete Settlement Agreement, available at www.navistarsettlement.ca. The amounts received by Settlement Class Members under any option may be reduced, or increased, *pro rata* based on the number of claims by a particular group. Some limitations apply, particularly if one Settlement Class Member leased a truck to another Settlement Class Member. To see the full Settlement Agreement, please visit www.navistarsettlement.ca. For any other questions, please contact Class Counsel at the information below.

When would I get a Settlement payment?

The Court is holding a hearing to determine whether to approve the Settlement on November 30, 2023. After that hearing, a schedule will be set for Settlement Class Members to make claims. You will receive another notice with instructions on how to make a claim if the Settlement is approved.

EXCLUDING YOURSELF FROM THE CLASS (OPTING OUT)

If you are a Settlement Class Member but don't want to be bound by the Action or the Settlement (if approved), you must take steps to exclude yourself by November 17, 2023. This is called opting out of the Action. If you take no steps by the deadline, you will be part of the Settlement Class.

How do I Opt Out?

Any Settlement Class Member who wants to be excluded from the Action must submit a request to opt out to the Settlement Administrator:

Navistar MaxxForce Engine Class Action
c/o RicePoint Administration Inc.
P.O. Box 3355
London, ON N6A 4K3
Toll-Free Number: 1-866-573-2710
Email: navistarsettlement@ricepoint.com

If you wish to exclude yourself, you must request exclusion for all Class Vehicles you own(ed) or lease(d) for more than 30 days. You may not exclude yourself from the Action for one or more Class Vehicles while also seeking benefits of the Action for other Class Vehicles.

An opt-out request must be postmarked to the address above on or before November 17, 2023. It must include: (1) the Settlement Class Member's full name, address, and telephone number; (2) the model, model year, and VIN of the Settlement Class Member's Class Vehicle(s); (3) an explicit and unambiguous statement of the Settlement Class Member's desire to opt out of the Settlement Class; and (4) the Settlement Class Member's signature. If the Settlement Class Member is an entity and not an individual, the request must be signed by an officer or director of the entity and include a statement that attests to that person's ability to act on behalf of the entity. Requests for exclusion signed only by counsel or other representatives will not be permitted.

If I don't opt out, can I sue the Defendants for the same thing later?

No. Unless you opt out yourself, you will be bound by the result of the Action. If the Settlement is approved, it will release any legal claims by Settlement Class Members against the Defendants relating to the claims in the lawsuit. You must exclude yourself from this Settlement Class to continue your own lawsuit.

If I opt out, can I get money from the Settlement?

No. Only Settlement Class Members can participate in the Settlement and receive compensation, if it is approved by the Court.

If I opt out, can I object to the Settlement?

No. If you opt out, the Settlement no longer affects you.

What am I giving up to stay in the Action?

If the Settlement is approved, it will release any legal claims by Settlement Class Members against the Defendants relating to the claims in the Action. That means that, if the Settlement is approved, you exchange the ability to sue, continue to sue, or be part of any other lawsuit against the Defendants about the legal issues in this case, for the compensation in the Settlement. It also means that all of the Court’s orders will apply to you and legally bind you.

CLASS COUNSEL FEES

Do I have to pay for a lawyer?

Settlement Class Members are represented by Class Counsel. You do not need to pay Class Counsel any money out of pocket. If you want to be represented by your own lawyer, you must hire one at your own expense. If the Settlement is approved, Class Counsel will ask for fees of up to 30% of the Settlement Amount, to be paid from the Settlement Funds.

How much money will Class Counsel and the representative plaintiff receive?

Class Counsel’s fees must be approved by the Court. Class Counsel may ask the Court to approve fees of up to 30% of the value of the Settlement, which equals \$4,350,000 plus applicable taxes.

Class Counsel will also ask the Court to approve “disbursements” which are out-of-pocket expenses that Class Counsel have paid including for expert witnesses and other requirements for the case.

Class Counsel and counsel to the plaintiffs in other actions commenced across the country may also ask the Court to approve an award of CAD \$6,000 to the representative plaintiff, and/or those plaintiffs in actions commenced across the country. This is intended to compensate them for their efforts, time and participation in the actions. The representative plaintiffs are also entitled to participate in the Settlement like other Settlement Class Members.

The amounts paid to Class Counsel and the representative plaintiffs will be deducted from the Cash Amount.

If you wish to comment on or make an objection to Class Counsel’s fees or the proposed honorarium to the representative plaintiff(s), a written submission and other information about you must be delivered to Class Counsel (contact particulars below) by November 17, 2023. Class Counsel will forward all such submissions to the Court. For information on what you need to submit, please visit www.navistarsettlement.ca.

When and where will the Court decide whether to approve the Settlement?

The Court will hold a hearing to decide whether to approve the Settlement on November 30, 2023. If there are objections, the Court will consider them at the hearing. The Court may also decide how much to pay to Class Counsel and the representative plaintiffs. The Court may decide whether to approve the Settlement immediately after the hearing or may take some time to consider it.

Please visit www.navistarsettlement.ca, or contact Class Counsel for details of the Settlement Approval Hearing if you wish to attend.

OBJECTING OR COMMENTING ON THE SETTLEMENT

As part of the approval process, you can provide the Court with your comments or objections to the Settlement. The Court will consider any objections it receives when deciding whether to approve the Settlement.

What’s the difference between objecting and opting out?

Objecting or commenting on the Settlement Agreement is telling the Court what you think about the Settlement. You can object or comment only if you stay in the Settlement Class. Opting out is telling the Court that you don’t want to be part of the Settlement Class. If you opt out, you have no basis to object because the case no longer affects you.

If I object to the Settlement but the Settlement is approved, can I still claim compensation?

Yes.

Do I need a lawyer to object to the Settlement?

No. If you wish to be represented by a lawyer, you may hire one at your own expense.

How do I object to or comment on the Settlement?

If you are a Settlement Class Member, you can object to or comment on the Settlement. You can't ask the Court to order a different Settlement; the Court can only approve or reject the Settlement as it is. If the Court does not approve the Settlement, no Settlement payments will be sent out, and the Action will continue.

Any objection or comment on the proposed Settlement must be in writing and sent to Class Counsel at the information provided below. You need to submit information about yourself with your objection. If you file a timely written objection or comment, with all necessary information, you may, but are not required to, appear at the hearing where the Court will decide whether to approve the Settlement, either in person or through your own lawyer. Your objection must be filed on or before November 17, 2023, or it may not be considered. For more information, please visit www.navistarsettlement.ca.

MORE INFORMATION

I want more information, including more details about the Settlement.

This notice summarizes the key parts of the proposed Settlement. You can read the entire Settlement Agreement and other important documents at www.navistarsettlement.ca. In the event of any conflict between the terms used in this notice and the Settlement Agreement, the terms in the Settlement Agreement prevail.

You may discuss the Settlement with Class Counsel. You should check the website regularly for updates on the case.

You may contact the Settlement Administrator at navistarsettlement@ricepoint.com and 1-866-573-2710.

Class Counsel can be contacted at:

Farris ^{LLP} (Canada, excluding Québec)

2500 – 700 West Georgia Street

Vancouver, BC V7Y 1B3

Attn: Robert Anderson, KC and Nicholas Hooge

Phone: 604-661-9372

Email: randerson@farris.com, nhooge@farris.com and mkshergill@farris.com (English and Punjabi)

Foreman & Company Professional Corporation (Ontario)

4 Covent Market Place

London, ON N6A 1E2

Attn: Jonathan Foreman

Phone: 1-855-814-4575 ext. 106

Email: classactions@foremancompany.com

Rochon Genova ^{LLP} (Ontario)

121 Richmond Street W., Suite 900

Toronto, ON M5H 2K1

Attn: Joel Rochon

Phone: 1-800-462-3864

Email: contact@rochongenova.com

QUÉBEC

What about residents of Québec?

Residents of Québec were eligible for a different settlement from a different case: *4037308 Canada Inc. v. Navistar Canada Inc.*, Superior Court of Québec File No. 500-06-000720-140, District of Montréal. That settlement was approved, and the opportunity to claim compensation in that settlement has now closed. Any questions on the Québec settlement may be directed to Consumer Law Group, counsel for the Québec class, at Tel: 1-888-909-7863, or [email: info@clg.org](mailto:info@clg.org).