



2. BY CONSENT, and except to the extent they are modified by this Order, capitalized terms used in this Order shall have the meanings given to them in the Settlement Agreement.
3. BY CONSENT, if any provision of this Order is in conflict with the Settlement Agreement, the provision contained in this Order shall govern.
4. BY CONSENT, for the purposes of settlement only, and conditional on this Court's approval of the Settlement Agreement, the certification order in this action made on November 16, 2016, as amended, is further amended to define the Class in this action as:

All natural persons or entities resident in Canada, but not resident in Quebec, 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 Quebec File No. 500-06-000720-140, District of Montreal; (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 provide financing for 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.

5. BY CONSENT, for the purposes of settlement only, and conditional on this Court's approval of the Settlement Agreement, the common issues previously certified in this action by Order dated November 16, 2016, as amended, are hereby amended such that this action is certified on the basis of the following issue that is common to the Class:

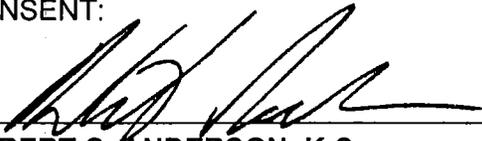
Did the Defendants misrepresent, or otherwise breach their duties to the Class, related to the EGR emissions system in the Class Vehicles pursuant to the doctrines of negligence, failure to warn, breach of express warranty, common law misrepresentation, or the *Competition Act*? If so, what damages or restitution ought to be awarded?

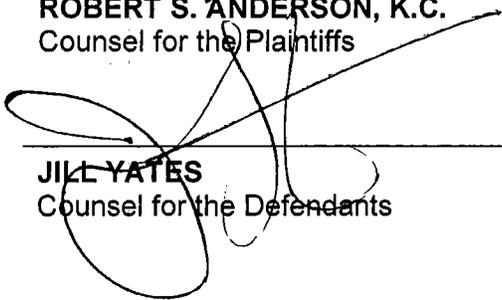
6. BY CONSENT, RicePoint Administration Inc. is hereby appointed to be the Settlement Administrator on a provisional basis for the purposes of giving the First Class Notice and for such other purposes contemplated within the Settlement Agreement pending this Court's consideration of the Settlement Approval Application.
7. BY CONSENT, the Plan of Dissemination, attached hereto as **Schedule "B"**, is approved.
8. BY CONSENT, the form of the First Short Form Notice, First Long Form Notice, the press release, and the banner ad (the "**Notices**") are approved, substantially in the form attached hereto as **Schedules "C", "D", "E", and "F"**. Notice of this Order shall be provided to the Class by transmission of the Notices as contemplated in the Settlement Agreement and the Plan of Dissemination. The Settlement Administrator and/or Class Counsel are directed to provide such notice as required by Section 3 of the Settlement Agreement and the Plan of Dissemination.

9. BY CONSENT, the procedure by which a Class Member must give notice of their intention to opt-out of the Class as set forth in the Settlement Agreement is hereby approved.
10. BY CONSENT, the deadline by which a Class Member must give notice of their intention to opt-out of the Class shall be 4:00 pm on the date that is 60 days following the date the First Class Notice is disseminated, and if such date is a Saturday or "holiday" within the meaning of the *Interpretation Act* (British Columbia), then the next date, whichever is later.
11. BY CONSENT, each Class member who has not validly opted-out of the action will be bound by the Settlement Agreement, if approved by the Court, and may not opt out of the action in the future.
12. BY CONSENT, the procedure by which a Class Member must give notice of an intention to object to the Settlement or the Settlement Agreement set forth in the Settlement Agreement is hereby approved.
13. BY CONSENT, the deadline by which a Class Member must give notice that it intends to object to the Settlement or the Settlement Agreement shall be 4:00 pm on the date that is 60 days following the date the First Class Notice is disseminated, and if such date is a Saturday or "holiday" within the meaning of the *Interpretation Act* (British Columbia), then the next date, whichever is later.
14. BY CONSENT, the Settlement Approval Hearing shall be heard at 10:00 am on November 30, 2023, or so soon thereafter as counsel may be heard.
15. BY CONSENT, leave is granted to the Settling Parties to vary or amend this Order by mutual agreement and subsequently reduced to a Consent Order and, failing such agreement, to seek to vary or amend this Order on application to this Court.

16. BY CONSENT, if the Settlement Agreement is not approved, is terminated in accordance with Sections 6.04 of the Settlement Agreement or otherwise fails to take effect for any reason, this Order, including certification for settlement purposes and all opt-out notices delivered pursuant to the Order, shall be set aside and declared null and void and of no force or effect, without the need for any further Order of this Court. In those circumstances, all parties to the Proceeding shall stand in the same position as if the Settlement Agreement had not been negotiated, made, or filed with the Court. A case management conference shall be convened to seek directions, including in respect of the need for and form and content of additional notice to Class members and to any person that delivered an opt-out notice pursuant to this Order.
17. BY CONSENT, shall be no costs against any party that consented to this application.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

  
\_\_\_\_\_  
**ROBERT S. ANDERSON, K.C.**  
Counsel for the Plaintiffs

  
\_\_\_\_\_  
**JILL YATES**  
Counsel for the Defendants

**BY THE COURT**  
  
\_\_\_\_\_  
**REGISTRAR**



Schedule "A"

SUPREME COURT OF BRITISH COLUMBIA Class Proceeding

FILE NUMBER S144960

VANCOUVER REGISTRY

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**N&C TRANSPORTATION LTD., T&S  
TRANSPORTATION SYSTEMS INC., and  
PACIFIC OCEAN TRANSPORT INC.**

*Plaintiffs*

v.

**NAVISTAR INTERNATIONAL  
CORPORATION, NAVISTAR INC.,  
NAVISTAR CANADA INC., and HARBOUR  
INTERNATIOAL TRUCKS LTD.**

*Defendants*

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**SETTLEMENT AGREEMENT, TRANSACTION, AND RELEASE**  
**Dated June 8, 2023**

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**PREAMBLE**

**WHEREAS:**

- A.** By Notice of Civil Claim filed June 24, 2014 (the "**Notice of Civil Claim**"), N&C Transportation Ltd., T&S Transportation Systems Inc., and Pacific Ocean Transport Inc. (together, the "**Plaintiffs**"), represented by Farris LLP ("**Farris**"), commenced an action (the "**Proceeding**") in the Supreme Court of British Columbia (the "**Court**"), Action No. S144960, Vancouver Registry, as a proposed class proceeding under the *Class Proceedings Act*, R.S.B.C. 1996, c. 50 (the "**CPA**") against Navistar International Corporation, Navistar Inc., Navistar Canada, Inc. (now called Navistar Canada ULC), and Harbour International Trucks Ltd. (collectively, the "**Defendants**");
- B.** The Notice of Civil Claim was amended on December 22, 2014 (the "**Amended Notice of Civil Claim**") and again on September 23, 2021 (the "**Further Amended Notice of Civil Claim**");

- C. In the November 16, 2016 "**Certification Order**", the Court certified the Proceeding as a class proceeding under the CPA and defined the class (the "**First Class Definition**");
- D. On October 19, 2021, the First Class Definition was amended by order of the Court (the "**Second Class Definition**");
- E. On February 24, 2022, the Second Class Definition was amended by order of the Court (the "**Third Class Definition**");
- F. The Plaintiffs and the Defendants intend, for the purposes of this Settlement Agreement only, to amend the Third Class Definition to comprise the "**Class**", as defined in Section 1.02(2)(g) for settlement purposes only;
- G. The Proceeding involves allegations that certain "Navistar EGR Trucks" (as defined in the Further Amended Notice of Civil Claim) are defective, allegedly resulting in repeated engine failures and frequent repairs;
- H. By Statement of Claim filed September 8, 2014, Stayura Well Services Ltd. ("**Stayura**"), represented by Foreman & Company Professional Corporation ("**Foreman & Company**") commenced an action in the Ontario Superior Court of Justice, File No. 4771-14, Milton (the "**Stayura Proceeding**") as a proposed class proceeding under the *Class Proceedings Act, 1992*, S.O. 1992, c. 6 against some of the Defendants with substantially similar claims as those advanced in the Proceeding on behalf of a class that is substantially similar to the Class;
- I. By Statement of Claim filed October 2, 2014, Raymond Bruhm and Kavangela Bruhm (together the "**Bruhms**"), represented by Rochon Genova LLP ("**Rochon Genova**") commenced an action in the Ontario Superior Court of Justice, File No. CV-14-513403-00CP, Toronto (the "**Bruhm Proceeding**") as a proposed class proceeding under the *Class Proceedings Act, 1992*, S.O. 1992, c. 6 against some of the Defendants with substantially similar claims as those advanced in the Proceeding on behalf of a class that is substantially similar to the Class;
- J. By Statement of Claim filed July 20, 2017, Stayura, McClary Logistics Ltd. ("**McClary**"), and the Bruhms (the "**Ontario Plaintiffs**"), represented by Rochon Genova and Foreman & Company (collectively, "**Ontario Counsel**"), commenced an action in the Ontario Superior Court of Justice, File No. CV-17-579285-CP00 (the "**Combined Ontario Proceeding**") as

a proposed class proceeding under the *Class Proceedings Act, 1992*, S.O. 1992, c. 6 against some of the Defendants with substantially similar claims as those advanced in the Proceeding and on behalf of a class that is substantially similar to the Class;

- K. The Stayura Proceeding, the Bruhm Proceeding, and the Combined Ontario Proceeding (collectively, the "**Ontario Proceedings**"), along with the Proceeding, have been litigated on a coordinated basis by Farris and Ontario Counsel (collectively "**Class Counsel**");
- L. By Statement of Claim filed August 22, 2014, Vernon James Brown ("**Brown**"), now represented by the Merchant Law Group ("**Merchant**") commenced an action in the Court of Queen's Bench of Manitoba, File No. CI 14-01-90962 (the "**Brown Proceeding**") as a proposed class proceeding under the *Class Proceedings Act*, C.C.S.M. c. C130, against some of the Defendants with substantially similar claims as those advanced in the Proceeding and on behalf of a class that is substantially similar to the Class. The Brown Proceeding was continued by Carolyn Anne Brown, as Executrix of the Estate of Vernon James Brown, Deceased (the "**Brown Estate**") (the "**Brown Estate Proceeding**");
- M. By Statement of Claim filed January 13, 2015, Andes Transport Inc., represented by Consumer Law Group ("**CLG**"), commenced an action in the Court of Queen's Bench of Alberta, File No. 1403-16425 as a proposed proceeding under the *Class Proceedings Act*, S. A. 2003, c. C-16.5, against some of the Defendants with substantially similar claims as those advanced in the Proceeding and on behalf of a class that is substantially similar to the Class;
- N. On October 5, 2021, Edmund Zechel doing business as Zechel Trucking ("**Zechel**") replaced Andes Transport Inc. as the plaintiff in the Court of Queen's Bench of Alberta, File No. 1403-16425 (the "**Zechel Proceeding**");
- O. By Statement of Claim filed February 17, 2015, R&A Trans Corp. ("**R&A**"), represented by CLG, commenced an action in the Ontario Superior Court of Justice, File No. 15-63387, Ottawa (the "**R&A Proceeding**") as a proposed class proceeding under the *Class Proceedings Act, 1992*, S.O. 1992, c. 6 against some of the Defendants with substantially similar claims as those advanced in the Proceeding and on behalf of a class that is substantially similar to the Class;

- P. On September 15, 2021, the parties to the Zechel Proceeding and the parties to the R&A Proceeding entered into a conditional settlement agreement with some of the Defendants with respect to those actions (the "**Alberta Settlement Agreement**") which remains subject to court approval. Neither the Zechel Proceeding nor the R&A Proceeding have been certified as class proceedings;
- Q. The Zechel Proceeding, the R&A Proceeding, and the Brown Proceeding are referred to in this Settlement Agreement as the "**Other Proceedings**";
- R. The Defendants deny the claims in this Proceeding, the Ontario Proceedings and the Other Proceedings, deny all allegations of wrongdoing, fault, liability, or damage of any kind to the Class, deny that they acted improperly, or wrongfully in any way, and believe that the Proceeding, the Ontario Proceedings and the Other Proceedings are without merit;
- S. The Plaintiffs, the Ontario Plaintiffs and the Defendants (together the "**Settling Parties**"), each represented by independent and competent legal counsel, have conducted sustained, good faith negotiations in an effort to resolve the issues raised in the Proceeding and the Ontario Proceedings;
- T. The Settlement Agreement represents vigorous negotiations between Class Counsel and the Defendants over several months following the proposed Alberta Settlement Agreement. The Settlement Agreement represents a best and final offer provided by the Defendants for the benefit of the proposed Class in order to achieve finality. As a condition of the Settlement Agreement, the Settling Parties have agreed to invite Zechel, R&A, the Brown Estate, CLG and Merchant to be signatories to the Settlement Agreement;
- U. The objective of this Settlement Agreement is to achieve finality as to each of the Proceeding, the Ontario Proceedings, and the Other Proceedings;
- V. Zechel, R&A and the Brown Estate (with the Settling Parties, the "**Agreement Parties**") have reviewed the terms of the agreement reached between the Settling Parties and confirm that they will be bound by the terms of the Settlement Agreement;
- W. This Settlement Agreement, Transaction and Release (the "**Settlement Agreement**") is the product of the negotiations referenced above; and

- X. Subject to the terms and conditions set out expressly in this Settlement Agreement, the Agreement Parties have agreed to fully and finally resolve all issues that have arisen between them on the basis expressly set out herein.

**NOW, THEREFORE, THE SETTLING PARTIES AGREE TO THE FOLLOWING:**

**ARTICLE 1**  
**DEFINITIONS AND INTERPRETATION**

**1.01 Preamble and Exhibits**

- (1) The Agreement Parties represent to one another that the statements made in the preamble to this Settlement Agreement are true and correct and form an integral part of this Settlement Agreement.
- (2) The exhibits appended to this Settlement Agreement form an integral part of this Settlement Agreement. These exhibits to this Settlement Agreement are as follows:
  - (a) Exhibit 1 – Form of Certification and Notice Approval Order
  - (b) Exhibit 2 – Form of First Short Form Notice
  - (c) Exhibit 3 – Form of First Long Form Notice
  - (d) Exhibit 4 – Form of Settlement Approval Order and Judgment
  - (e) Exhibit 5 – Form of Second Short Form Notice
  - (f) Exhibit 6 – Form of Second Long Form Notice

**1.02 Definitions**

- (1) The following terms set forth in the preamble in quotations and boldface type shall have the meanings given to those terms in the preamble throughout the Settlement Agreement:
  - (a) **"Agreement Parties"**
  - (b) **"Alberta Settlement Agreement"**
  - (c) **"Amended Notice of Civil Claim"**
  - (d) **"Brown"**
  - (e) **"Brown Estate"**

- (f) **"Brown Estate Proceeding"**
- (g) **"Brown Proceeding"**
- (h) **"Bruhm Proceeding"**
- (i) **"Bruhms"**
- (j) **"Certification Order"**
- (k) **"Class Counsel"**
- (l) **"CLG"**
- (m) **"Combined Ontario Proceeding"**
- (n) **"Court"**
- (o) **"CPA"**
- (p) **"Defendants"**
- (q) **"Farris"**
- (r) **"First Class Definition"**
- (s) **"Foreman & Company"**
- (t) **"Further Amended Notice of Civil Claim"**
- (u) **"Merchant"**
- (v) **"McClary"**
- (w) **"Notice of Civil Claim"**
- (x) **"Ontario Counsel"**
- (y) **"Ontario Plaintiffs"**
- (z) **"Ontario Proceedings"**
- (aa) **"Other Proceedings"**
- (bb) **"Plaintiffs"**
- (cc) **"Proceeding"**
- (dd) **"Proposed Class"**
- (ee) **"R&A"**

- (ff) **"R&A Proceeding"**
  - (gg) **"Rochon Genova"**
  - (hh) **"Settlement Agreement"**
  - (ii) **"Settling Parties"**
  - (jj) **"Second Class Definition"**
  - (kk) **"Stayura"**
  - (ll) **"Stayura Proceeding"**
  - (mm) **"Third Class Definition"**
  - (nn) **"Zechel"**
  - (oo) **"Zechel Proceeding"**
- (2) In addition to those terms defined in the preamble of this Settlement Agreement, the terms set forth in this section in boldface type will have the following meanings throughout the Settlement Agreement:
- (a) **"Authorized Field Change"** means updates and changes that Navistar, Inc. has released for Class Trucks (including but not limited to Misbuild Investigation Notices).
  - (b) **"Authorized Navistar Dealer"** means a dealer within Navistar, Inc.'s independent dealer network authorized by Navistar, Inc. to sell, lease, and service Navistar vehicles and MaxxForce brand diesel engines.
  - (c) **"Cash Fund"** means the amount of money in Canadian dollars calculated pursuant to Section 4.01(2) that will be the sole source used to pay Settlement Fees and Expenses, any Plaintiff Honorarium, any Class Counsel Fees, any Merchant Counsel Fees as approved by the Court, and all cash payments to be paid to members of the Settlement Class under this Settlement Agreement.
  - (d) **"Cash Fund Maximum"** has the meaning given to that term in Section 4.01(2).
  - (e) **"Certification and Notice Approval Application"** means the application to the Court required to be made herein to request that the Court grant the Certification and Notice Approval Order.

- (f) **"Certification and Notice Approval Order"** means an order of the Court substantially in form the form of Exhibit 1 which, if granted, will, for the purposes of settlement only: (1) further amend the Certification Order to amend the class definition therein to match the Class and amend the common issues, (2) approve the form, content, and manner of distribution of the First Class Notice, (3) set the Opt-Out procedure, (4) fix the Opt-Out deadline, (5) set the procedure for any member of the Settlement Class to object to the Settlement, (6) fix the objection deadline, (7) schedule the Settlement Approval Hearing, (8) provisionally appoint the Settlement Administrator, and (9) grant such other relief as the Settling Parties may request.
  
- (g) **"Class"** means, for the purposes of this Settlement Agreement only, all natural persons or entities resident in Canada, but not resident in Quebec, 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 Quebec File No. 500-06-000720-140, District of Montreal; (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 provide financing for 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.
  
- (h) **"Class Counsel Fees"** means such funds as may be awarded by the Court for fees, disbursements, costs, and other applicable taxes or charges of Class Counsel, plus any applicable GST, HST, or PST. The agreed allocation to CLG for its fees and disbursements shall be paid from Class Counsel Fees.
  
- (i) **"Class Member"** means a member of the Class.

- (j) **"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.
- (k) **"Claim"** and **"Claims"** have the meanings given to those terms in sub-section 1.02(2)(hh).
- (l) **"Court"** means the Supreme Court of British Columbia.
- (m) **"Covered Costs"** means the following costs that were actually incurred as a result of a Covered Event, are established by reasonable contemporaneous or third-party documentation sufficient to establish the Covered Event and the Covered Cost, and for which the Class Member has not already been compensated:
1. Actual repair costs:
    - Parts and labor
    - Towing
  2. Rental trucks
  3. Lost revenue (from a particular load that the Class Vehicle was transporting at the time of a Covered Event)
  4. Travel costs (hotel, airfare, meals, etc.)
  5. Employee wages (limited to five days)
  6. Permits
  7. Loading/unloading

All costs not expressly listed above are excluded, including opportunity costs (e.g., lost opportunity due to allegedly unreliable Class Vehicles) and the cost of replacing employees.

- (n) **"Covered Event"** means (1) a service event for repair or replacement of a Primary Component or (2) a service event for repair or replacement of a Secondary Component that occurs within 30 days of a service event for repair or replacement of a Primary Component. Covered Events do not include service events where the repair or replacement of a Primary Component was provided for by an Authorized Field Change or Misbuild Investigation Notice.

1. **"Primary Components"** are:
    - EGR Cooler
    - EGR Valve
  2. **"Secondary Components"** are:
    - Lambda Sensor
    - Oxygen Sensor
    - Oil Centrifuge
    - Valve/Seat (Intake) and Valve/Seat (Exhaust)
    - Valve Bridge
    - Cylinder Head (when accompanied by a Valve/Seat (Intake) and Valve Bridge repair)
    - Turbochargers
    - Total Engine Replacement or Rebuild (must show a Turbochargers failure)
    - Diesel Particulate Filter
    - DOC/Pre-DOC
- (o) **"Defendants' Counsel"** means McCarthy Tétrault LLP.
- (p) **"Effective Date"** means the date on which the Final Order has been pronounced.
- (q) **"EGR"** means exhaust gas recirculation emissions technologies used by Navistar in connection with a MaxxForce 11-, 13-, or 15-litre diesel engine that did not also include selective catalytic reduction technology.
- (r) **"Final Order"** means the Settlement Approval Order and Judgment once the time to appeal such order has expired without any appeal being taken, if an appeal lies, or once there has been affirmation of the approval of this Settlement Agreement upon a final disposition of all appeals.
- (s) **"First Class Notice"** means the notice of certification and settlement approval hearing that will be provided to the Class, as set forth in Section Article 3 below, subject to Court approval.
- (t) **"First Long Form Notice"** means the notice that will be posted to the Settlement Website as described in Section 3.04(1) and in substantially the same form as Exhibit 3 to this Settlement Agreement.

- (u) **"First Short Form Notice"** means the notice to be mailed and emailed to the Class as described in Sections 3.03(1) and 3.03(2) and in substantially the same form as Exhibit 2 to this Settlement Agreement.
- (v) **"Future Authorized Field Change"** means a modification to or new Primary Components or Secondary Components (or updated software related to same) released for proactive installation in Class Vehicles after the Effective Date.
- (w) **"Merchant Counsel Fees"** means the fees, disbursements, costs, and other applicable taxes or charges of Merchant, including any applicable GST, HST, PST or QST, as may be awarded by the Court.
- (x) **"Opt Out"** means a Class Member who properly and timely submits a request for exclusion from the Settlement Class as set forth in Section 6.01.
- (y) **"Opt Out List"** means the list compiled by the Settlement Administrator pursuant to Section 6.01(4), identifying those Class Members who properly and timely submit a request for exclusion from the Settlement Class.
- (z) **"Original Owner or Lessee"** means those persons or entities who either (1) purchased a Class Vehicle new from Navistar directly or from an Authorized Navistar Dealer or (2) leased a new Class Vehicle from Navistar Leasing Co. directly.
- (aa) **"Person"** means an individual, corporation, partnership, limited partnership, limited liability company, association, joint stock company, estate, legal representative, trust, trustee, executor, beneficiary, unincorporated association, government or any political subdivision or agency thereof, and any other business or legal entity and their heirs, predecessors, successors, representatives, or assignees.
- (bb) **"Plaintiff Honorarium"** means such funds as may be awarded by the Court to the Plaintiffs, the Ontario Plaintiffs, Zechel, R&A and the Brown Estate for their time, effort and participation in the Proceedings, the Ontario Proceedings and the Other Proceedings, as described in Section 9.02.
- (cc) **"Primary Components"** has the meaning given to that term in sub-section (n).

- (dd) **"Proof of Membership in the Class"** means information sufficient to establish that the claimant is a Class Member, including
1. the VIN of the Class Vehicle for which a claim is being made;
  2. that the claimant purchased or leased the Class Vehicle;
  3. that the claimant resides in Canada but not Quebec.
- (ee) **"Proof of Ownership or Lease"** means documentation establishing the time period during which a Class Member (as demonstrated in the manner described in Section 1.02(2)(cc) owned or leased a Class Vehicle. Proof of Ownership or Lease shall be established through the submission of vehicle title, vehicle purchase agreement, vehicle lease agreement, dealer invoice, insurance documentation, financing documentation, or vehicle registration documents sufficient to identify the time period that a member of the Settlement Class has been or was the owner or lessee of the Class Vehicle.
- (ff) **"Rebate Fund"** means the commitment to make available rebates with a face value in Canadian dollars calculated pursuant to Section 4.01(2).
- (gg) **"Rebate Fund Maximum"** has the meaning given to that term in Section 4.01(2).
- (hh) **"Released Claims"** means any and all manner of obligations, claims, demands, actions, suits, causes of action, claims for remedial orders, debts, damages, losses, costs, and liabilities of any and every nature whatsoever, whether common to the Class, individual in nature to any Class Member or otherwise, whether personal or subrogated, direct or indirect, whether known or unknown, whether suspected or unsuspected, whether arising in law, under statute or in equity, that the Settlement Class or any of them, either directly, indirectly, derivatively, or in any other capacity, ever had, now have, or hereafter can, shall, or may have, against the Released Parties or any of them arising from, or relating in any way to, any of the matters alleged, or that could have been alleged, in the Notice of Civil Claim as it is proposed to be amended herein (all of the foregoing collectively **"Claims"** and individually each a **"Claim"**).
- (ii) **"Released Parties"** means, jointly and severally, individually and collectively, the Defendants and Authorized Navistar Dealers, and each of their respective present

and former, direct and indirect, parents, holding companies, joint ventures and joint-venturers, partners, members, principals, divisions and subsidiaries, and Persons with whom any of the foregoing have been, or are now, affiliated (within the meaning of section 2 of the *Business Corporations Act*, S.B.C. 2002, c. 57, as amended) or related (within the meaning of the *Income Tax Act*, RSC 1985, c 1 (5<sup>th</sup> Supp.)) and the respective past, present and future officers, directors, employees, agents, suppliers, vendors, advertisers, service providers, distributors and sub-distributors, licensees, agents, mandatories, insurers, co-insurers, re-insurers, underwriters, stockholders, shareholders, bondholders, lawyers, trustees, servants, lawyers, and representatives of the foregoing, and the predecessors, successors, spin-offs, purchasers, heirs, executors, administrators and assigns of each of the foregoing.

- (jj) **"Release"** means the release and waiver set forth in Article 5 of this Settlement Agreement to be incorporated in the Final Order and Final Judgment.
- (kk) **"Second Class Notice"** means the notice of the Settlement Approval Order and Judgment that will be provided to the Class, as set forth in Section 7, subject to Court approval.
- (ll) **"Second Long Form Notice"** means the notice that will be posted to the Settlement Website as described in Section 7.03(1) and in substantially the same form as Exhibit 6 to this Settlement Agreement.
- (mm) **"Second Short Form Notice"** means the notice to be mailed and emailed to the Settlement Class as described in Sections 7.02(1) and 7.02(2) and in substantially the same form as Exhibit 5 to this Settlement Agreement.
- (nn) **"Secondary Components"** has the meaning given to that term in sub-section (n).
- (oo) **"Settlement"** means the settlement contemplated by this Settlement Agreement.
- (pp) **"Settlement Administrator"** means the firm to be selected by the Settling Parties shortly after the execution of the Settlement Agreement, which the Settling Parties will ask the Court to appoint to administer the First Class Notice and Second Class Notice, administer the Settlement in accordance with this Settlement Agreement, and engage in any other tasks directed by the Court or jointly by Class Counsel and Defendants' Counsel.

- (qq) "**Settlement Approval Application**" means the application for orders of the Court (1) granting the Settlement Approval Order and Judgment, (2) approving the form, content, and manner of distribution of the Second Class Notice, and (3) granting such other relief as the Settling Parties may request.
- (rr) "**Settlement Approval Hearing**" means the final hearing, held after the Certification and Notice Approval Order is issued, in which the Court will determine whether this Settlement Agreement should be approved and whether the proposed Settlement Approval Order and Judgment should be entered.
- (ss) "**Settlement Approval Order**" means an order of the Court substantially in the form of Exhibit 4 which, if granted, will approve of the Settlement and the form, content, and manner of distribution of the Second Class Notice.
- (tt) "**Settlement Approval Order and Judgment**" means a final order and judgment of the Court substantially in the form of Exhibit 4 which, if granted, will approve of the Settlement and the form, content, and manner of delivery of the Second Class Notice.
- (uu) "**Settlement Class**" means the Plaintiffs and all Class Members who are not Opt Outs.
- (vv) "**Settlement Class Member**" means a member of the Settlement Class.
- (ww) "**Settlement Fees and Expenses**" means the authorized costs and expenses incurred by the Settlement Administrator in providing the First Class Notice and the Second Class Notice in accordance with this Settlement Agreement and the anticipated Certification and Notice Approval Order and all authorized costs and expenses incurred by the Settlement Administrator in administering the Settlement Agreement, including but not limited to costs and expenses associated with assisting the Settlement Class, resolving claims made under the Individual Prove-Up Option, processing claims, escrowing funds, issuing and/or mailing awards, paying taxes and tax expenses, and other authorized fees and expenses of the Settlement Administrator.
- (xx) "**Trust Account**" means a segregated interest-bearing trust account at a Canadian Schedule 1 bank or a Provincially Registered Credit Union listed pursuant to the relevant provincial authorities, under the control of Class Counsel for the benefit of

the Settlement Class Members or the Defendants, as provided for in this Settlement Agreement.

(yy) "VIN" or "Vehicle Identification Number" means the unique 17-character number assigned to each vehicle by Navistar. The Defendants will provide a substantially complete list of VINs to the Settlement Administrator for all Class Vehicles.

### **1.03 Interpretation**

- (1) Other capitalized terms used in this Settlement Agreement but not defined in Section 1.02 shall have the meanings ascribed to them elsewhere in the Settlement Agreement.
- (2) All terms defined in this Settlement Agreement have the definition asserted herein solely for the purposes of this Settlement Agreement.
- (3) The terms "he or she" and "his or her" include "it", "its", "they", "their" where applicable.
- (4) The plural of any defined term includes the singular, and the singular of any defined term includes the plural, as the case may be.
- (5) All monetary amounts referred to in this Settlement Agreement are in Canadian Dollars.

## **ARTICLE 2** **CERTIFICATION AND NOTICE APPROVAL APPLICATION**

### **2.01 Timing**

- (1) Class Counsel shall file the Certification and Notice Approval Application as soon as reasonably practicable after the execution of this Settlement Agreement. The Settling Parties shall seek to have the Certification and Notice Approval Application heard by the Court as soon as reasonably practicable and, if possible, within 21 days of the execution of this Agreement.

### **2.02 Class Definition, Common Issue, and Representative Status**

- (1) For settlement purposes only, the Settling Parties shall consent to certification on behalf of the Class in the Certification and Notice Approval Application.
- (2) For settlement purposes only, the Settling Parties shall consent to the appointment of (1) N&C Transportation Ltd. as the representative plaintiff of the Class and (2) Class Counsel as counsel for the Class.

- (3) The Defendants shall consent to the Certification and Notice Approval Application only for the purpose of implementing the Settlement. The Defendants' consent shall not be taken to be an admission of liability or an admission that the Class is suitable for certification.

### **2.03 Hearing**

- (1) At the Certification and Notice Approval Hearing, the Settling Parties shall make joint representations to the Court with a view to obtaining the Certification and Notice Approval Order.

### **2.04 Costs**

- (1) Each Agreement Party shall bear its own costs of the Certification and Notice Approval Application.

### **2.05 Confidentiality**

- (1) Until the Certification and Notice Approval Application is filed, the Agreement Parties shall keep all of the terms of the Settlement Agreement confidential and shall not disclose them without the prior written consent of all Agreement Parties, except as required for the purposes of financial reporting, communications with insurers and auditors, and/or the preparation of financial records (including tax returns and financial statements), as necessary to give effect to its terms or as otherwise required by law.

## **ARTICLE 3**

### **NOTICE FOLLOWING THE CERTIFICATION AND NOTICE APPROVAL APPLICATION**

#### **3.01 Cost**

- (1) The cost of the First Class Notice and other Settlement Fees and Expenses, as agreed to by the Settling Parties, will be paid from the Cash Fund.
- (2) Notwithstanding Section 3.01(1), 4.01(1), 4.01(2), or any other provision of this Settlement Agreement, the Defendants will pay an additional amount of up to \$25,000 to the Settlement Administrator solely for the purposes of funding the Settlement Administrator's attempts to identify Class Members by seeking contact and vehicle information from public records, including through the use of VIN databases maintained by government entities, as described in Section 3.02(2). The payment referred to in this section is in addition to and not part of the Cash Fund or the Rebate Fund.



### **3.02 Timing**

- (1) The First Class Notice will be accomplished through a combination of the First Short Form Notice, notice through the Settlement Website, and the First Long Form Notice, and through such other methods as the Settling Parties agree and/or the Court orders, as specified in the anticipated Certification and Notice Approval Order and this Settlement Agreement and in order to comply with all applicable laws.
- (2) As soon as practicable after the Certification and Notice Approval Order is granted, Class Counsel will provide to the Settlement Administrator an electronic copy of the spreadsheet that is Exhibit "K" to the Affidavit of Tarryn Winkler made on August 29, 2022 in the Proceeding. Additionally, the Settlement Administrator will seek contact and vehicle information from public records, including by use of VIN databases maintained by government entities, as necessary. Vehicle information includes, but is not limited to, the inferred date of purchase, lease information, new/used purchase information, and year, make, model and VIN of the vehicle. Thereafter, the Settlement Administrator shall substantially complete initial dissemination of notice in the manner described below with the intention of substantially completing initial notice within no later than eight weeks after the entry of the Certification and Notice Approval Order.

### **3.03 First Short Form Notice**

- (1) As soon as practicable after the Certification and Notice Approval Order is granted, the Settlement Administrator shall send the First Short Form Notice, by first class mail, proper postage prepaid, to Class Members. In addition, the Settlement Administrator shall (1) re-mail any notices returned by Canada Post with a forwarding address as soon as practicable; and (2) by itself or using one or more address research firms, as soon as practicable following receipt of any returned notices that do not include a forwarding address, research such returned mail for more accurate addresses and promptly mail copies of the applicable notice to any more accurate addresses so found.
- (2) As soon as practicable after the Certification and Notice Approval Order, the Settlement Administrator shall send the First Short Form Notice by email to Class Members for whom an email address was located.

### **3.04 Settlement Website and First Long Form Notice**

- (1) As soon as practicable after the Certification and Notice Approval Order is granted, the Settlement Administrator and/or Class Counsel shall establish a Settlement Website that will inform Class Members of the terms of the Settlement Agreement, their rights, dates and deadlines, and related information. The Settlement Website shall include, in .pdf format, materials agreed upon by the Settling Parties and/or required by the Court, including the First Long Form Notice. The Settlement Website shall also allow Class Members, upon entry of their information, to receive preliminary calculations of the "up to" compensation amount they could receive under the Cash Option or the Rebate Option if the Settlement is approved and Class Members submit valid claims. Class Members would then be able to continue to submit a claim with that information online or in hard copy. The Settlement Website will "pre-populate" claims information to the extent the Settlement Administrator possesses it.
- (2) The Settlement Administrator will send, via email or first-class mail, the Long Form Notice to those persons who request it.

## **ARTICLE 4** **SETTLEMENT CONSIDERATION AND COMPENSATION**

### **4.01 Consideration for Release**

- (1) Provided that the Court grants the Settlement Approval Order and Judgment, and after the Effective Date, in consideration of the Release provided for in Article 5 and the dismissal of the Proceeding, the Defendants agree that the following will be made available to the Settlement Class through the claims process:
  - (a) the Cash Fund in the amount of Canadian dollars calculated pursuant to sub-section 4.01(2), less any amounts approved by the Court for Settlement Fees and Expenses, any Plaintiff Honorarium, any Class Counsel's Fees and any Merchant Counsel Fees; and
  - (b) the Rebate Fund comprised of rebates with a face value in the amount calculated pursuant to sub-section 4.01(2).
- (2) If, in the Certification and Notice Approval Order, the Court certifies the Proceeding as a class proceeding with respect to all Class Members, then the maximum amount that the

Defendants shall be required to pay to the Cash Fund pursuant to Section 4.01(1)(a) shall be \$13,775,000 (the "**Cash Fund Maximum**") and the maximum amount the Defendants shall be required to make available to the Settlement Class in the Rebate Fund shall be rebates with a face value in the aggregate of \$725,000 (the "**Rebate Fund Maximum**").

**4.02 Timing of Payment to Cash Fund**

- (1) Notwithstanding Section 4.01, the Defendants shall pay into the Trust Account the Cash Fund Maximum within 30 days of the execution of this Settlement Agreement by all Agreement Parties.
- (2) Notwithstanding anything else in this Settlement Agreement, before the Effective Date, the amount paid under Section 4.02(1) shall be expended only on the cost of the First Class Notice.
- (3) If the Defendants fail to pay the Cash Fund Maximum in accordance with Section 4.02(1) or fails to make available the Rebate Fund Maximum in accordance with Section 4.01, the Plaintiffs and Ontario Plaintiffs may move before the Court to enforce these obligations.

**4.03 Compensation Options**

- (1) Subject to the provisions of this Settlement Agreement, in particular, but without limitation, Section 8.03, Settlement Class Members may submit a claim for only one of the following options of compensation for each Class Vehicle that Settlement Class Members have owned or leased, subject to the limitations set forth in Section 4.04(2) below for Class Vehicles that one Class Member leased to another:
  - (a) **Cash Option:** This option provides for a payment based on months of ownership or lease of up to \$2,500 per Class Vehicle. Each demonstrated month of ownership or lease through February 2022 is eligible (subject to the limitations set forth in Section 4.04(2)) for the following amounts:

<b>Class Vehicle Model Year</b>	<b>Monetary Amount</b>
2011	\$19.38/month
2012	\$21.37/month
2013	\$23.81/month
2014	\$26.88/month

- (b) **Rebate Option:** For each Class Vehicle owned or leased by a member of the Settlement Class, such member of the Settlement Class may select a rebate based on months of ownership or lease worth up to \$10,000 towards the purchase of a new Navistar class 8 heavy duty truck. The rebates are deducted from the best negotiated retail purchase price (not including sales taxes 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 rebates will expire 18 months after the date that the rebate certificates are sent to the members of the Settlement Class. The rebates are not transferable and not stackable. Each member of the Settlement Class may receive up to a maximum of ten total rebates, regardless of the number of vehicles purchased or leased. Each demonstrated month of ownership/lease through February 2022 is eligible (subject to the limitations set forth in Section 4.04(2)) for the following amounts:

<b>Class Vehicle Model Year</b>	<b>Monetary Amount</b>
2011	\$77.52/month
2012	\$85.47/month
2013	\$95.24/month
2014	\$107.53/month

- (c) **Individual Prove-Up Option:** For each Class Vehicle owned or leased by a member of the Settlement Class, such member of the Settlement Class may seek to prove up to \$15,000 of Covered Costs per Class Vehicle. Whether and what amount of Covered Costs should be awarded pursuant to this provision shall be determined by the Settlement Administrator consistent with this Settlement Agreement, subject to an appeal adjudicated by the Settlement Administrator. Defendants will not be entitled to assert any legal defenses to these Covered Costs, although Defendants may demonstrate that a claimant does not meet the requirements of this Settlement Agreement. Members of the Settlement Class opting for relief under this Section may, at any time prior to a final determination of their award, opt instead to receive the payment that they would be entitled to under the Cash Option (Section 4.03(1)(a)).

Notwithstanding the definition of Covered Costs, the recoverable cost of parts and labor incurred as a result of a Covered Event that occurred when the Class Vehicle had between 800,000 kilometers and 1,600,000 kilometres are capped at \$7,500 for all Covered Events.

Parts and labor incurred as a result of a Covered Event that occurred when the Class Vehicle had 1,600,001 kilometres or more are not compensated. For the avoidance of doubt, total compensation for all Covered Costs for any member of the Settlement Class for a given Class Vehicle shall not exceed \$15,000.

All costs not expressly defined above as a Covered Cost are excluded, including opportunity costs (e.g., lost opportunity due to an unreliable Class Vehicle) and the cost of replacing employees.

Members of the Settlement Class opting for relief under this Section must sign a certification stating under penalty of law: "I certify that the oil and filters were regularly changed on this vehicle within the timeframes recommended by Navistar."

#### **4.04 Compensation in Connection with Leased Class Vehicles**

- (1) Any member of the Settlement Class who leased a Class Vehicle from the Defendants, the Defendants' corporate affiliates, or an Authorized Navistar Dealer will recover on the same terms as owners of Class Vehicles.
- (2) If a Class Member who owned a Class Vehicle leased that Class Vehicle for 30 days or less to another individual or entity, the owner, but not the lessee, may elect the Cash Option or the Rebate Option, or the Individual Prove-Up Option for Covered Costs paid by the owner, not the lessee, for the time period of the lease. The lessee of said lease of 30 days or less is not a Class Member. If a Class Vehicle was leased for more than 30 days, the Class Member who was the lessor and the Class Member who was the lessee of said Class Vehicle are each eligible, with sufficient Proof of Ownership or Lease, for half of the Cash Option or half the Rebate Option for the time period of the lease. Each lessor and lessee may instead independently elect the Individual Prove-Up Option. Class Counsel and Defendants' Counsel agree to work in good faith to determine appropriate cash/rebate apportionment through the claims administration process in the unlikely event that there is some lessor-lessee arrangement that is not already expressly anticipated by this Settlement Agreement.

#### **4.05 Allocation of Funds in The Event of Oversubscription or Undersubscription**

- (1) If either the Cash Fund or the Rebate Fund is oversubscribed—i.e., more claims for that type of compensation are approved than dollars or value available in that fund—then the claims within any oversubscribed fund will be reduced *pro rata*. In the Rebate Fund, that

means that each rebate will be reduced by an equal amount until the fund is no longer oversubscribed. In the Cash Fund, that means that each cash payment (*i.e.*, each Cash Option and Each Individual Prove-Up Option) will be reduced by an equal percentage until the fund is no longer oversubscribed.

- (2) If following the claims administration process as described at s. 8.03(2) the Cash Fund is undersubscribed, then any remaining dollars within the Cash Fund shall be allocated *pro rata* to previously-approved, valid cash payments (*i.e.*, each Cash Option and Each Individual Prove-Up Option).
- (3) If the Rebate Fund is undersubscribed, the value of the unclaimed rebates shall revert to the Defendants.
- (4) An assessment of any remainder of the Cash Fund will be determined after the expiry of at least one-hundred and eighty (180) days following payment distributions to Settlement Class Members with approved, valid claims to capture any uncashed stale-dated cheques or payments (the "Residual"). If feasible (at the Settlement Administrator's discretion, having regard to the economics of the case and equity to Class Members), the Settlement Administrator will reallocate the Residual among the recipients of Cash Option payments in an equitable and economic fashion. If it is not economically feasible for the Residual to be redistributed, such monies shall be paid to a third-party charity to be agreed to by the Settling Parties, for the general benefit of Class Members if the amount is equal to or less than \$25,000. For distribution of any amount above \$25,000, further direction of the Court shall be sought. Under no circumstances will any repayment of the Cash Fund be made to the Defendants.

**ARTICLE 5**  
**RELEASE**

**5.01 Effective Date**

- (1) The Release shall take effect upon the Effective Date.

**5.02 Release**

- (1) In consideration of the Settlement, the Plaintiffs, Ontario Plaintiffs, Zechel, R&A, the Brown Estate and each Settlement Class Member, on behalf of themselves and any other Person who may claim by, through, or under them, agree to fully, finally, and forever release,

relinquish, acquit, discharge, and hold harmless the Released Parties from any and all Released Claims.

- (2) In connection with this Settlement Agreement, the Plaintiffs, Ontario Plaintiffs, Zechel, R&A, the Brown Estate and members of the Settlement Class acknowledge that they may hereafter discover claims presently unknown or unsuspected, or facts in addition to or different from those that they now know or believe to be true concerning the subject matter of the Proceeding, Ontario Proceedings, Other Proceedings and/or the Release herein. Nevertheless, it is the intention of Class Counsel, CLG, Merchant and the members of the Settlement Class in executing this Settlement Agreement to fully, finally, and forever settle, release, discharge, and hold harmless the Released Parties for all such matters, and all claims relating thereto which exist, hereafter may exist, or might have existed (whether or not previously or currently asserted in any action or proceeding) with respect to the Proceeding, Ontario Proceedings, and Other Proceedings (including the ability to seek fees, disbursements, costs, HST and other applicable taxes or charges) except as otherwise stated in the Settlement Agreement.
- (3) The Defendants release the Plaintiffs, Ontario Plaintiffs, Zechel, R&A, the Brown Estate, Class Counsel, CLG and Merchant from any potential claims, counterclaims, or other relief (including the ability to seek fees, disbursements, costs, HST and other applicable taxes or charges) arising from the Proceeding and that could have been asserted against the Plaintiffs, Ontario Plaintiffs, Zechel, R&A, the Brown Estate or Class Counsel, CLG and Merchant as of the date of this Settlement Agreement.
- (4) The Plaintiffs, Ontario Plaintiffs, Zechel, R&A, the Brown Estate, Class Counsel, CLG and Merchant release any and all claims or potential claims of any kind and nature whatsoever and in any forum against each other concerning anything whatsoever arising from the Proceeding, Ontario Proceedings, Other Proceedings and the Quebec action *4037308 Canada Inc. v. Navistar Canada Inc.*, Superior Court of Quebec File No. 500-06-000720-140, District of Montreal including any disputes under any alleged consortium agreements. For greater certainty, nothing in this subsection impacts the ability of Class Counsel and/or Merchant to apply for Class Counsel Fees and Merchant Counsel Fees pursuant to Article 9.01.

**5.03 Limitations on Release**

- (1) Nothing in this Agreement or Release shall be interpreted to modify or diminish the manufacturer's limited, written warranty with respect to a Class Vehicle.
- (2) Nothing in this Release shall affect any lease, loan, or purchase payments due to any Released Parties.
- (3) Members of the Settlement Class are not releasing any entitlement to Future Authorized Field Changes.
- (4) Members of the Settlement Class are not releasing any claims for personal injury or damage to property other than the Class Vehicles and Covered Costs, and such claims are not included in the Release.

**5.04 Preclusion of Future Claims**

- (1) The Plaintiffs, Ontario Plaintiffs, Zechel, R&A, the Brown Estate and members of the Settlement Class expressly agree that the Settlement Approval Order and Judgment is, will be, and may be raised as a complete defense to, and will preclude any action or proceeding encompassed by this Release.
- (2) The Plaintiffs, Ontario Plaintiffs, Zechel, R&A, the Brown Estate and members of the Settlement Class shall not now or hereafter institute, maintain, prosecute, assert, and/or cooperate in the institution, commencement, filing, or prosecution of any suit, action, and/or proceeding, against the Released Parties, either directly or indirectly, on their own behalf, on behalf of a class, or on behalf of any other person or entity with respect to the claims, causes of action and/or any other matters released through this Settlement.
- (3) Nothing in this Release shall preclude any action to enforce the terms of the Agreement, including participation in any of the processes detailed herein.

**5.05 Representations and Warranties**

- (1) The Plaintiffs, Ontario Plaintiffs and Zechel, R&A, the Brown Estate represent and warrant that they are the sole and exclusive owners of all claims that they are releasing under this Settlement Agreement. The Plaintiffs, Ontario Plaintiffs, Zechel, R&A, and the Brown Estate further represent and warrant that they have not assigned, pledged, or in any manner whatsoever, sold, transferred, assigned, or encumbered any right, title, interest, or claim

arising out of or in any way whatsoever pertaining to the Proceeding, Ontario Proceedings or Other Proceedings including without limitation, any claim for benefits, proceeds, or value under the Proceeding, Ontario Proceedings or Other Proceedings and that the Plaintiffs, Ontario Plaintiffs, Zechel, R&A, and the Brown Estate are not aware of anyone other than themselves claiming any interest, in whole or in part, in the Proceeding, Ontario Proceedings or Other Proceedings or in any benefits, proceeds, or values under the Proceeding, Ontario Proceedings or Other Proceedings.

- (2) Without in any way limiting its scope, and, except to the extent otherwise specified in the Settlement Agreement, this Release covers by example and without limitation, any and all claims for lawyers' fees, lawyers' liens, costs, expert fees, consultant fees, interest, litigation fees or costs, or any other fees, costs, and/or disbursements incurred by any lawyers, Class Counsel, CLG, Merchant, the Plaintiffs, Ontario Plaintiffs, Zechel, R&A, the Brown Estate or the Settlement Class who claim to have provided assistance or legal services to the Class or any Class Member relating in any way to the Proceeding, Ontario Proceedings or Other Proceedings, the claims asserted in the Proceeding, Ontario Proceedings or Other Proceedings and/or the Class Vehicles.
- (3) The Plaintiffs, Ontario Plaintiffs, Zechel, R&A and the Brown Estate and Class Counsel, CLG and Merchant hereby agree and acknowledge that the provisions of this Release together constitute an essential and material term of the Agreement and shall be included in any Settlement Approval Order and Judgment entered by the Court.

## **ARTICLE 6** **SETTLEMENT APPROVAL PROCESS**

### **6.01 Opt Outs**

- (1) Any Class Member who wishes to be excluded from the Class and to become an Opt Out must submit a request for exclusion to the Settlement Administrator at the address specified in the First Class Notice by the date specified in the anticipated Certification and Notice Approval Order and recited in the First Class Notice. Class Members who wish to be excluded from the Settlement Class must do so with respect to all Class Vehicles they purchased or lease(d). To be effective, the request for exclusion must be sent via first class mail or email to the address specified in the First Class Notice and
  - (a) include the Class Member's full name, address, and telephone number;

- (b) identify the model, model year, and VIN of the Class Member's Class Vehicle(s);
  - (c) explicitly and unambiguously state his, her, their, or its desire to be excluded from the Settlement Class; and
  - (d) be individually and personally signed by the Class Member. If the 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 that entity.
- (2) Any Class Member who fails to submit a timely and complete request for exclusion sent to the proper address shall be subject to and bound by this Settlement and every order or judgment entered pursuant to this Settlement. Any purported request for exclusion or other communication sent to such address that is unclear or internally inconsistent with respect to the Class Member's desire to be excluded from the Settlement Class will be deemed invalid unless determined otherwise by the Court. Requests for exclusion can be submitted only on behalf of each Class Vehicle(s) owned or leased by a particular Class Member. For example, mass-opt outs and class requests for exclusion that are not signed by each Class Member in the manner described in Section 6.01(1) shall not be permitted. Requests for exclusion signed only by counsel or other representative shall also not be permitted.
- (3) The Settlement Administrator will receive requests for exclusion and will follow guidelines developed jointly by Class Counsel and Defendants' Counsel for determining in the first instance whether they meet the requirements for Opting Out. Any communications from Class Members (whether styled as a request for exclusion, an objection, or a comment) as to which it is not readily apparent that the Class Member meant to exclude himself, herself, or itself from the Class will be evaluated jointly by Class Counsel and Defendants' Counsel, who will make a good faith evaluation, if possible, of the Class Member's intentions. Any uncertainties about whether a Class Member is requesting exclusion from the Settlement Class will ultimately be resolved by the Court.
- (4) The Settlement Administrator will maintain a list of all Opt Outs. The Settlement Administrator shall report the names and addresses of all such entities and persons requesting exclusion (the "Opt Out List") to the Court, Class Counsel, and Defendants' Counsel within 14 business days of the Opt Out deadline as specified in the First Class Notice.



- (5) The Defendants reserve all of their legal rights and defences with respect to any Class Member who validly opts out from the Class, and no term of this Settlement Agreement shall be tendered as evidence in any subsequent litigation by any such person against the Defendants.

#### **6.02 Objections to or Comments on the Settlement Agreement**

- (1) Any member of the Settlement Class who intends to object to or comment on this Settlement Agreement or the Settlement contained therein must, by the date specified in the anticipated Certification and Notice Approval Order and recited in the First Class Notice, provide the comment or objection to Class Counsel at the addresses set out in Section 11.16. Class Counsel will provide a copy of any comment or objection to Defendants' Counsel within one business day. Class Counsel must also provide a copy to the Court.
- (2) Subject to Court approval of the process provided herein, any objection to the Settlement Agreement must be individually and personally signed by the member of the Settlement Class submitting it. If the member of the Settlement Class is an entity and not an individual, the objection 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 that entity. If the member of the Settlement Class is represented by counsel, the objection must also be signed by such counsel. Any objection must include:
  - (a) the objecting member of the Settlement Class' full name, address, and telephone number or email address;
  - (b) the model, model year, and VIN of the objecting member of the Settlement Class' Class Vehicle(s), along with Proof of Membership in the Class;
  - (c) a written statement of all grounds for the objection, accompanied by any legal support for the objection;
  - (d) copies of any papers, briefs, or other documents upon which the objection is based;
  - (e) the name, address, email address, and telephone number of every lawyer representing or assisting the objector; and

- (f) a statement indicating whether the objector and/or his or her counsel intends to appear at the Settlement Approval Hearing and, if so, the evidence that person intends to rely on in support of the objection.
- (3) Any Class Member who does not file a timely written objection to the Settlement and notice of his or her intent/non-intent to appear at the Settlement Approval Hearing, or who otherwise fails to comply with the requirements of Section 6.02(2) shall be foreclosed from seeking any adjudication or review of the Settlement by appeal or otherwise.

**6.03 Settlement Approval Hearing**

- (1) The Settling Parties will request that the Court hold the Settlement Approval Hearing promptly after the deadline(s) for (1) Class Members to Opt Out and (2) Settlement Class Members to object.
- (2) At the Settlement Approval Hearing, the Agreement Parties, to the extent that they appear at the hearing, shall make joint representations to the Court with a view to obtaining the Settlement Approval Order and Judgment.
- (3) The Settlement Approval Order and Judgment, if granted, is final and binding and unaffected by any issue, dispute or order granted in respect of Class Counsel Fees or Merchant Counsel Fees. Class Counsel Fees and/or Merchant Counsel Fees will be resolved by agreement between Class Counsel and Merchant, with such fee awards being subject to Court approval, or failing agreement, by a separate order(s) of the Court.
- (4) Each Agreement Party shall bear its own costs of the Settlement Approval Application.

**6.04 The Defendants' Termination Right**

- (1) The Defendants shall have the option to withdraw from this Settlement Agreement, obtain the return of all funds held in the Trust Account under Section 8.01(3), and render the Settlement Agreement null and void, if any of the following conditions occur:
  - (a) The number of Opt Outs exceeds that indicated in the separate agreement of the Settling Parties. The Settling Parties will seek leave to file under seal said agreement about when and how Defendants may assert such rights.

- (b) The Court does not grant the Settlement Approval Order and Judgment, substantially in the form attached as Exhibit 4, after the Settlement Approval Hearing.
- (c) An appellate court overturns the Court's decision to grant the Settlement Approval Order and Judgment.
- (d) Other than in relation to the quantum of Class Counsel Fees or Merchant Counsel Fees, there is a dispute between any of the Plaintiffs, the Ontario Plaintiffs, Class Counsel, Zechel, R&A, the Brown Estate, CLG and/or Merchant in relation to a material term of this Settlement Agreement.
- (e) Any Agreement Party other than the Defendants breaches a material term of this Settlement Agreement.

**6.05 Procedure for Withdrawal**

- (1) The Defendants must follow the following procedure in order to withdraw from the Settlement:
  - (a) In order to elect to withdraw from the Settlement and terminate the Settlement Agreement on the basis set forth in Section 6.04(1)(a), the Defendants must notify Class Counsel in writing of their election to do so within ten days after the Opt Out List has been served on the Settling Parties. If the first Opt Out List circulated by the Settlement Administrator does not contain sufficient Opt Outs to trigger the Defendants' right to withdraw, but the Settlement Administrator subsequently provides an updated Opt Out List containing sufficient Opt Outs to trigger Defendants' right to withdraw, then the Defendants shall have ten days from the circulation of the updated Opt Out List to exercise that right, and the Settling Parties shall have the right at either's discretion to request that the Court postpone the Settlement Approval Hearing by the number of days between the provision of the initial and updated Opt Out Lists. In the event that the Defendants exercise their right to withdraw under Section 6.04(1)(a), Class Counsel shall have, at their discretion, ten days or such longer period as agreed to by the Settling Parties to address the concerns of the Opt Outs. If through such efforts the total number on the Opt Out List subsequently becomes and remains fewer than the number submitted pursuant to Section 6.04(1)(a) Defendants shall withdraw their election to withdraw from the Settlement and terminate the Settlement Agreement. In no event, however, shall Defendants have

any further obligation under this Agreement to any Opt Out unless he or she withdraws his or her request for exclusion.

- (b) To withdraw from the Settlement and terminate the Settlement Agreement on the basis set forth in Section 6.04(1)(b), (c), (d), or (e) the Defendants must provide notice in writing to the other Agreement Parties.

#### **6.06 Effect of Withdrawal**

- (1) In the event the Defendants withdraw from the Settlement, pursuant to Sections 6.04-6.05, this Settlement Agreement shall be null and void, shall have no further force and effect with respect to any party in the Proceeding and shall not be offered in evidence or used in any litigation for any purpose, including the existence, certification, or maintenance of any purported class. In the event of such withdrawal, this Settlement Agreement and all negotiations, proceedings, documents prepared, and statements made in connection herewith shall be without prejudice to the Settling Parties, and shall not be deemed or construed to be an admission or confession by any party of any fact, matter, or proposition of law, and shall not be admitted into evidence or otherwise used in any manner for any purpose, and all parties to the Proceeding shall stand in the same position as if this Settlement Agreement had not been negotiated, made, or filed with the Court. Without limiting the foregoing, this Settlement Agreement and the fact of the Settlement shall not be used or relied upon in this or any other proceeding as evidence of the suitability of the Plaintiffs' claims, or any claims related to the Class Vehicles or EGR, for certification as a class action. Upon withdrawal, the Settling Parties shall consent to setting aside or vacating any Court order(s) made in furtherance of the Settlement.
- (2) Neither the Plaintiffs, the Ontario Plaintiffs, Zechel, R&A, the Brown Estate, Class Counsel, CLG, and/or Merchant will have any responsibility whatsoever to pay any Settlement Fees and Expenses (including the Settlement Administrator's own fees), even if: (a) the Settlement Agreement is terminated in accordance with Article 6 of this Settlement Agreement; (b) the Proceeding is not certified as a class action by the Court at the Certification and Notice Approval hearing, (c) the Settlement is not approved by the Court at the Settlement Approval Hearing; or (d) for any reason, there is no Effective Date.

**ARTICLE 7**  
**NOTICE OF SETTLEMENT APPROVAL**

**7.01 Second Class Notice**

- (1) The cost of the Second Class Notice and other Settlement Fees and Expenses, as agreed to by the Settling Parties, will be paid from the Cash Fund.
- (2) The Second Class Notice will be accomplished through a combination of the Second Short Form Notice, notice through the Settlement Website, and Second Long Form Notice, each of which is described below, as specified in the anticipated Settlement Approval Order and Judgment and this Settlement Agreement and in order to comply with all applicable laws.

**7.02 Second Short Form Notice**

- (1) As soon as practicable after the Settlement Approval Order and Judgment, the Settlement Administrator shall send the Second Short Form Notice by first class mail, proper postage prepaid, to members of the Settlement Class identified during the First Class Notice. For greater clarity, the Settlement Administrator shall not be required to deliver Second Class Notice to those addresses returned to sender during the First Class Notice.
- (2) As soon as practicable after the Settlement Approval Order and Judgment, the Settlement Administrator shall send the Second Short Form Notice by email to members of the Settlement Class for whom an email address was located. For greater clarity, the Settlement Administrator shall not be required to deliver Second Class Notice to those email addresses returned as undeliverable during the First Class Notice.

**7.03 Settlement Website and Second Long Form Notice**

- (1) As soon as practicable after the Settlement Approval Order and Judgment, the Settlement Administrator shall update the Settlement Website to reflect the Settlement Approval Order and Judgment as soon as practicable after the Settlement Approval Order and Judgment is made. Without limitation, the Second Long Form Notice will be available on the Settlement Website after the Settlement Approval Order and Judgment is made. Further, Class Members should then be able to continue to submit a claim through the Settlement Website or in hard copy. The Settlement Website will "pre-populate" claims information to the extent the Settlement Administrator possesses it.

- (2) The Settlement Administrator will send, via first class mail, the Second Long Form Notice to those persons who request it.

**ARTICLE 8**  
**SETTLEMENT ADMINISTRATION**

**8.01 Cash Fund**

- (1) The Cash Fund shall be held in the Trust Account and invested by Class Counsel or their duly appointed agent for the benefit of the Settlement Class.
- (2) No portion of the Cash Fund shall be used or made available to the Settlement Class except as specifically set forth in this Settlement Agreement. Until such time as the Cash Fund is distributed, the Settlement Class shall not possess any rights to demand or receive any portion of the monies or to mortgage, pledge, or encumber the same in any manner. To the extent possible, the terms of the Settlement Agreement shall be construed so as to prevent the Plaintiffs or others from being in constructive receipt of the Cash Fund. All expenses incurred in administering the Cash Fund, including without limitation, the fees and expenses of the Bank and Settlement Administrator, shall be paid from the Cash Fund.
- (3) If this Settlement Agreement does not for any reason become final or effective or is otherwise rescinded, withdrawn, or abrogated before the Effective Date, then all amounts that remain in the Trust Account shall be returned to the Defendants. Notwithstanding anything else in this Settlement Agreement, before the Effective Date, the amount in the Trust Account shall be expended only on the cost of the First Class Notice.
- (4) The Settlement Administrator shall have the authority to conduct any and all activities necessary to administer the Cash Fund. The Settlement Administrator shall submit personally to the jurisdiction of the Court.
- (5) Class Counsel, Class Counsel's agent or the Settlement Administrator shall pay any taxes on any interest that accrues on the funds in the Trust Account or otherwise arises in relation to the Trust Account from the Cash Fund. The Defendants shall have no responsibility to make any income tax filings relating to the Trust Account or the Cash Fund and will have no responsibility to pay tax on any income earned by the Cash Fund after it has been transferred to the Trust Account, or pay any taxes on the monies in the Trust Account, unless this Settlement Agreement is terminated, in which case the interest earned on the

funds in Trust Account, shall be paid to the Defendants, and in such case, each Defendant shall be responsible for the payment of all taxes on its proportionate share of such interest.

- (6) Class Counsel or their duly appointed agent shall maintain the Trust Account as trustee and as provided for in this Settlement Agreement.

#### **8.02 Duties of the Settlement Administrator**

- (1) Promptly after the Certification and Notice Approval Order is made, the Settling Parties will direct the Settlement Administrator to issue the First Class Notice. Promptly after the Settlement Approval Order and Judgment, the Settling Parties will direct the Settlement Administrator to issue the Second Class Notice, to receive and appropriately respond to all claims submitted by a member of the Settlement Class in both French and English, and to otherwise administer the Settlement Agreement. The Settlement Administrator will (1) assign personnel to manage the settlement implementation process, including the First Class Notice and the Second Class Notice, (2) provide settlement administration services to Class Members in both French and English, (3) establish a toll-free telephone number that Class Members may call to obtain information in both French and English, (4) establish a mailing address to which members of the Settlement Class can send claims for reimbursement and (5) create a bilingual Settlement Website containing information about the Settlement, including claim forms for download or electronic submission. All costs and expenses related to the administration of this Settlement, whenever paid by the Defendants, will be deducted from the Cash Fund.

#### **8.03 Submission of Claims**

- (1) To obtain compensation under Section 4.03(1), a member of the Settlement Class must submit a timely claim to the Settlement Administrator. Class Counsel and Defendants' Counsel will participate in the design of the claims administration process and will receive periodic information about the Settlement Administrator's handling of claims, including but not limited to information identifying the claims and claimants, sufficient to let them comment upon and/or raise objections to how it is being performed. Class Counsel will work continuously with Defendants' Counsel throughout the claims administration process to ensure that the claims process is fair and that the number of valid claims is maximized.
- (2) The Settlement Administrator will not review or pay any claims for monetary compensation submitted by a member of the Settlement Class more than 180 calendar days after the

delivery of the Second Class Notice. The Settling Parties reserve the right to jointly move the Court to permit late-filed claims.

- (3) All claims for monetary compensation must indicate whether the claimant is submitting a claim for one of the options in Section 4.03(1), and which option is being selected. These options will be readily apparent on the Settlement Website.
- (4) All claims for compensation must include Proof of Membership in the Class. Class Counsel and Defendants' Counsel will work in good faith with the Settlement Administrator when designing the claims-submission feature of the Settlement Website.
- (5) The Settlement Administrator may reject any claim that does not include the required information, documentation, or certification specified in Sections 8.03(3) and 8.03(4). The Settlement Administrator may investigate any claim, including by requesting from the member of the Settlement Class additional documentation to determine whether the claim is valid. If the Settlement Administrator rejects a claim, it will advise the member of the Settlement Class who submitted the claim of the reason(s) for the rejection (e.g., missing information, documentation, or certification; ineligibility to submit a claim; or claim does not involve a Class Vehicle). If a claim is rejected due to missing information or documentation, the Settlement Administrator will give the member of the Settlement Class 30 days to resubmit that claim along with additional information, so long as the claim was originally submitted by the deadline to submit the claim.
- (6) If a member of the Settlement Class disputes either the Settlement Administrator's rejection of a claim or the amount to be reimbursed pursuant to a claim, the member of the Settlement Class may appeal the Settlement Administrator's decision by submitting the claim, the Settlement Administrator's decision on the claim, and an explanation of the Settlement Administrator's alleged error to the Settlement Administrator within 30 days of the postmark date on the envelope, or the date of the email, in which the Settlement Administrator sent its decision to the member of the Settlement Class. The Settlement Administrator will share all appeals received with Class Counsel and Defendants' Counsel, and shall make a final, binding determination of the appeal following its receipt of the Settlement Parties' responses to the appeal. The determination of the Settlement Administrator in an administrative review is final and is not subject to further review by any court or other tribunal. No Plaintiff, Ontario Plaintiff, Zechel, R&A, the Brown Estate or member of the Settlement Class shall have any

claim against the Defendants based on a disagreement with the determination of the Settlement Administrator.

**ARTICLE 9**  
**CLASS COUNSEL FEES AND PLAINTIFF HONORARIUM**

**9.01 Class Counsel Fees**

- (1) Subject to Section 9.01 (3), Class Counsel may seek the Court's approval to pay Class Counsel Fees contemporaneously with seeking approval of this Settlement Agreement if such application is on consent of Merchant, or may seek to schedule the Court's approval to pay Class Counsel Fees at such other time after the Settlement Approval Order has been issued in substantially the form sought, as Class Counsel shall determine in their sole discretion but on notice to the Defendants and Merchant. The Defendants will not oppose such application.
- (2) Subject to Section 9.01 (3), the Court's approval to pay Merchant Counsel Fees may be sought contemporaneously with Class Counsel's application for approval of this Settlement Agreement if such application is on consent of Class Counsel, or at such other time after the Settlement Approval Order has been issued in substantially the form sought, as Class Counsel and Merchant agree or failing agreement, as ordered by the Court. The Defendants will not oppose such application(s), if made.
- (3) The total amount of Class Counsel Fees and Merchant Counsel Fees sought under the applications referred to in Sections 9.01(1) and 9.01(2) must not exceed \$4,350,000.
- (4) Notwithstanding Section 9.01(3), Class Counsel is not precluded from making additional applications to the Court for expenses incurred as a result of implementing the terms of the Settlement Agreement.
- (5) All Agreement Parties agree that the Court, subject to appeal rights, shall be the sole venue for the adjudication of Class Counsel Fees and Merchant Counsel Fees and that such adjudication will under no circumstances interfere or delay the approval of the Settlement Agreement and the Settlement Approval Order and Judgment which all Agreement Parties accept is in the best interest of the proposed Class.
- (6) All amounts awarded on account of Class Counsel Fees and Merchant Counsel Fees or of other expenses pursuant to Section 9.01(4) as ordered by the Court, shall be paid solely

from the Cash Fund. All amounts awarded on account of Class Counsel Fees, Merchant Counsel Fees, and Settlement Fees and Expenses may be paid out of the Trust Account only after the Effective Date.

- (7) On the Effective Date, all claims for fees, costs, disbursements, indemnification or any other recovery as among the Agreement Parties, including Class Counsel, CLG and Merchant, shall be mutually extinguished and the Agreement Parties shall fully and finally release each other in respect of any and all claims, including in relation to the Proceeding, the Ontario Proceedings, and the Other Proceedings.
- (8) If an Agreement Party brings, against another Agreement Party, a claim extinguished by s. 9.01(7), then the Agreement Party that brought the claim shall be in breach of this Settlement Agreement and shall pay to the Agreement Party against whom the claim is brought damages equal to (i) all fees and expenses paid by the Agreement Party against whom the claim is brought in connection with the claim and (ii) any amount the Agreement Party against whom the claim is brought is required to pay to the Agreement Party that brought the claim.

#### **9.02 Plaintiff Honorarium**

- (1) In recognition for their time, effort, and participation in the Proceeding, the Ontario Proceedings and the Other Proceedings, Class Counsel and/or Merchant, as the case may be, will seek, subject to Court approval, Plaintiff Honorariums of \$6,000 for each of the Plaintiffs, the Ontario Plaintiffs, Zechel, R&A and/or the Brown Estate. Any Plaintiff Honorariums ordered by the Court will be paid solely out of the Cash Fund. Any Plaintiff Honorariums are in addition to other payments under the Settlement that the Plaintiffs, the Ontario Plaintiffs, Zechel, R&A and the Brown Estate may otherwise be entitled to under the claims process.

### **ARTICLE 10** **TERMINATION OF OTHER PROCEEDINGS**

#### **10.01 Termination of Alberta Settlement Agreement**

- (1) The Defendants, Zechel, and R&A hereby agree (i) to terminate the Alberta Settlement Agreement on the Effective Date and (ii) that this termination shall have the same effect on the Alberta Settlement Agreement and the Defendants, Zechel, and R&A as if Section 6.07 of the Alberta Settlement Agreement had been triggered and applied.

#### **10.02 Termination of the Ontario Proceedings**

- (1) The Ontario Plaintiffs and Ontario Counsel hereby agree and undertake to use best efforts to discontinue the Ontario Proceedings, with such discontinuance being effective on or after the Effective Date, as follows:
  - (a) The Bruhms agree to use best efforts to obtain court approval to discontinue the Bruhm Proceeding and hereby irrevocably instruct Rochon Genova to discontinue the Bruhm Proceeding as soon as practicable.
  - (b) Stayura agrees to use best efforts to obtain court approval to discontinue the Stayura Proceeding and hereby irrevocably instructs Foreman & Company to discontinue the Stayura Proceeding as soon as practicable.
  - (c) The Bruhms, Stayura, and McClary agree to use best efforts to obtain court approval to discontinue the Combined Ontario Proceeding and hereby irrevocably instruct Rochon Genova and Foreman & Company to discontinue the Combined Ontario Proceeding as soon as practicable.
  - (d) Rochon Genova undertakes to use best efforts to obtain court approval to discontinue the Bruhm Proceeding and the Combined Ontario Proceeding as soon as practicable.
  - (e) Foreman & Company undertakes to use best efforts to obtain court approval to discontinue the Stayura Proceeding and the Combined Ontario Proceeding as soon as practicable.
- (2) For greater clarity, the Ontario Plaintiffs and Ontario Counsel are not required to discontinue the Ontario Proceedings until the Effective Date.
- (3) The Defendants shall consent to the discontinuances referred to in Section 10.02(1). If the Ontario Plaintiffs and Class Counsel discontinue the Ontario Proceedings in accordance with Section 10.02(1), the Defendants waive any right to recover their costs of the Ontario Proceedings from the Ontario Plaintiffs and Ontario Counsel.

### **10.03 Other Proceedings**

- (1) Zechel, R&A, the Brown Estate and CLG and Merchant hereby agree and undertake to use best efforts to discontinue the Other Proceedings, with such discontinuance being effective on or after the Effective Date, as follows:
  - (a) Zechel agrees to use best efforts to obtain court approval to discontinue the Zechel Proceeding and hereby irrevocably instructs CLG to discontinue the Zechel Proceeding as soon as practicable.
  - (b) R&A agrees to use best efforts to obtain court approval to discontinue the R&A Proceeding and hereby irrevocably instructs CLG to discontinue the R&A Proceeding as soon as practicable.
  - (c) CLG undertakes to use best efforts to obtain court approval to discontinue the Zechel Proceeding and the R&A Proceeding as soon as practicable.
  - (d) The Brown Estate agrees to discontinue the Brown Estate Proceeding and hereby irrevocably instructs Merchant to discontinue the Brown Estate Proceeding as soon as practicable.
- (2) For greater clarity, Zechel, R&A and the Brown Estate and CLG and Merchant are not required to discontinue the Other Proceedings until the Effective Date.
- (3) The Defendants shall consent to the discontinuances referred to in Section 10.03(1). If Zechel, R&A and the Brown Estate and CLG and Merchant discontinue the Other Proceedings in accordance with Section 10.03(1), CLG and Merchant and the Defendants waive any right to recover their costs of the Other Proceedings from Zechel, R&A and the Brown Estate and CLG and Merchant and from the Defendants respectively.

### **10.04 Timing of Discontinuance**

- (1) The discontinuance materials, in respect of the Zechel and the Brown Estate Proceedings, shall be signed within 30 days of the execution of the Settlement Agreement and held by Class Counsel until the Effective Date. The discontinuance materials shall be filed with the respective Courts in Alberta and Manitoba within 7 days of the Effective Date.

- (2) For the Ontario Proceedings and the R&A Proceedings, the discontinuance materials and/or motions shall be served on the Defendants within 30 days of the execution of the Settlement Agreement and submitted to the Ontario Court for filing within 7 days of the Effective Date. The motion shall be heard as soon as practicable.

**ARTICLE 11**  
**MISCELLANEOUS PROVISIONS**

**11.01 No Admission**

- (1) This Settlement Agreement is for settlement purposes only. Neither the fact of, nor any provision contained in this Settlement Agreement, nor any action taken hereunder, shall constitute, or be construed as, any admission of the validity of any claim or any fact alleged in the Proceeding, Ontario Proceedings or Other Proceedings or of any wrongdoing, fault, violation of law, or liability of any kind on the part of the Defendants or any admissions by the Defendants of any claim or allegation made in any action or proceeding against the Defendants. Nor shall it constitute, or be construed as, any admission or concession by Defendants that the Court's orders in the Proceeding, Ontario Proceedings or Other Proceedings are correctly decided. This Settlement Agreement shall not be offered or be admissible in evidence against the Defendants or cited or referred to in any action or proceeding, except in an action or proceeding brought to enforce its terms.

**11.02 Entire Agreement**

- (1) Except for the companion agreement referred to in Section 6.04(1), this Settlement Agreement represents the entire agreement and understanding among the Agreement Parties and supersedes all prior proposals, negotiations, agreements, and understandings relating to the subject matter of this Settlement Agreement. The Agreement Parties acknowledge, stipulate, and agree that no covenant, obligation, condition, representation, warranty, inducement, negotiation, or understanding concerning any part or all of the subject matter of this Settlement Agreement has been made or relied on except as expressly set forth in this Settlement Agreement. No modification or waiver of any provisions of this Settlement Agreement shall in any event be effective unless the same shall be in writing and signed by the person against whom enforcement of the Settlement Agreement is sought.

**11.03 Amendments**

- (1) This Settlement Agreement may not be modified or amended except in writing and on consent of the Plaintiffs and the Defendants, and subject to approval by the Court where required.

**11.04 Counterparts**

- (1) This Settlement Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which shall be deemed a single agreement.

**11.05 Arm's-Length Negotiations**

- (1) The Settling Parties have negotiated all of the terms and conditions of this Settlement Agreement at arm's length which have been reviewed and accepted by the Agreement Parties for the purposes of concluding the Proceeding, the Ontario Proceedings and the Other Proceedings. All terms, conditions, and exhibits in their exact form are material and necessary to this Settlement Agreement and have been relied upon by the Settling Parties and the Agreement Parties in entering into this Settlement Agreement. The Settling Parties, through counsel, have participated in the drafting of this agreement, which has been reviewed and accepted by the Agreement Parties and it is not to be construed in favor of or against any of the Agreement Parties.

**11.06 Dispute Resolution**

- (1) Any dispute, challenge, question, or the like relating to this Settlement Agreement (other than those which this Settlement Agreement provides shall be resolved otherwise) shall be heard only by the Court.

**11.07 Continuing Jurisdiction**

- (1) The Court shall retain continuing and exclusive jurisdiction over the parties to this Settlement Agreement, including all Class Members, for the purpose of the administration and enforcement of this Settlement Agreement.

**11.08 Choice of Law**

- (1) This Settlement Agreement and any amendments thereto shall be governed by and interpreted according to the law of British Columbia notwithstanding its conflict of law provisions.

**11.09 Binding Effect of Settlement Agreement**

- (1) This Settlement Agreement shall be binding upon and inure to the benefit of the Agreement Parties and their representatives, heirs, successors, and assigns.

**11.10 Severability**

- (1) In the event any one or more of the provisions contained in this Settlement Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect other provisions only if Defendants and Class Counsel mutually elect to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Settlement Agreement.

**11.11 Extensions of Time**

- (1) The Settling Parties may agree upon a reasonable extension of time for deadlines and dates reflected in this Settlement Agreement, without further notice to Class Members (subject to Court approval as to Court dates).

**11.12 Cooperation**

- (1) The Settling Parties, their successors and assigns, and their counsel agree to cooperate fully with one another in seeking Court approval of this Settlement Agreement and to use their best efforts to effect the prompt consummation of this Settlement Agreement and the proposed Settlement.

**11.13 No Waiver**

- (1) No waiver of any provision of this Settlement Agreement will be binding unless consented to in writing by the Settling Parties. No waiver of any provision of this Settlement Agreement will constitute a waiver of any other provision.

**11.14 Public Statements**

- (1) In issuing public statements, including responding to any inquiries from the public media concerning the Proceeding and/or the Settlement, the Plaintiffs, Ontario Plaintiffs, Zechel, R&A, the Brown Estate, Class Counsel, CLG, Merchant, the Defendants, and Defendants' Counsel shall limit their statements to promoting the virtues of the Settlement or other statements that comport with the First Class Notice, the Second Class Notice, and this Settlement Agreement. The Plaintiffs, Ontario Plaintiffs, Zechel, R&A, the Brown Estate,

Class Counsel, CLG and Merchant shall not engage in any conduct or make any statement, directly or indirectly, that the settlement of claims contemplated by this Settlement Agreement constitutes an admission of liability or an admission of the validity or accuracy of any of the allegations in the Proceeding, the Ontario Proceedings or Other Proceedings by the Defendants. However, nothing shall limit the ability of the Defendants or their successors to make such public disclosures as laws require or to provide information about the settlement to its advisors, government officials, or its insurers/reinsurers.

#### **11.15 English Language**

- (1) The Agreement Parties acknowledge and agree that the present Settlement Agreement was drafted in the English language at the wish of the Parties thereto. In case of inconsistency between this Agreement drafted in English and any French translation thereof, the Settlement Agreement in English shall prevail. *Les parties reconnaissent et acceptent que la présente convention a été rédigée en langue anglaise à la demande expresse de toutes les parties y afférentes. En cas de divergence entre la présente convention rédigée en langue anglaise et toute traduction de cette convention en langue française, cette convention rédigée en langue anglaise prévaudra.* Nevertheless, if required by the Court, a French translation of this Settlement Agreement, all Schedules and Appendices attached hereto, in each case for convenience only, shall be prepared and paid for by the Defendants.

#### **11.16 Service or Notice**

- (1) Whenever, under the terms of this Settlement Agreement, a person is required to provide service or written notice to an Agreement Party, such service or notice shall be directed to the individuals and addresses specified below, unless those individuals or their successors give notice to the other Agreement Parties in writing:

**To the Plaintiffs or Class Counsel:**

Farris LLP  
2500 – 700 West Georgia Street  
Vancouver, BC V7Y 1B3  
**Attention Robert Anderson, KC and Nicholas Hooge**  
Phone: 1 (604) 661-9372  
Email: randerson@farris.com and nhooge@farris.com

**To the Defendants or Defendants' Counsel:**

McCarthy Tétrault LLP  
Suite 2400 – 745 Thurlow Street  
Vancouver, BC B6E 0C5  
**Attention: Jill Yates and Patrick Williams**  
Phone: 1 (604) 643-7908  
Email: jyates@mccarthy.ca and pwilliams@mccarthy.ca

**To the Bruhms, Stayura, McClary, Foreman & Company, or Rochon Genova:**

Rochon Genova LLP  
900 – 121 Richmond St. W  
Toronto, ON, M5H 2K1  
**Attention: Joel Rochon**  
Phone: 1 (416) 548-9874  
Email: jrochon@rochongenova.com

Foreman & Company  
4 Covent Market Place  
London, ON, N6A 1E2  
**Attention: Jonathan Foreman**  
Phone: 1 (519) 914-1175  
Email: jforeman@foremancompany.com

**To Zechel, R&A, or CLG:**

Consumer Law Group P.C.  
102 – 1030 rue Berri  
Montreal, QC H2L 4C3  
**Attention: Jeff Orenstein**  
Phone: 1 (514) 266-7862  
Email: jorenstein@clg.org

**To the Brown Estate or Merchant:**

Merchant Law Group LLP  
303 – 304 15127 100<sup>th</sup> Avenue  
Surrey, BC V3R 0N9  
**Attention: Anthony Tibbs**  
Phone: 1 (604) 609-7777  
Email: atibbs@merchantlaw.com

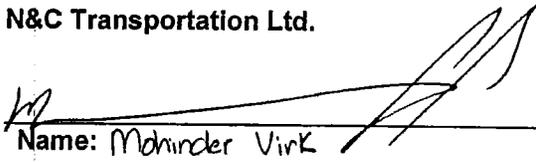
**11.17 Authority to Execute Settlement Agreement**

- (1) Each person executing this Settlement Agreement or any of its exhibits on behalf of any party hereto warrants that such person has the authority to do so.

**SIGNATURES OF THE AGREEMENT PARTIES INDICATING THEIR INTENTION TO BE BOUND CONTRACTUALLY TO THE TERMS OF THIS SETTLEMENT AGREEMENT APPEAR ON THE FOLLOWING PAGE.**

IN WITNESS HEREOF, the Agreement Parties have caused this Settlement Agreement to be executed, effective as of the date on the cover page.

**N&C Transportation Ltd.**

  
Name: Mohinder Virk

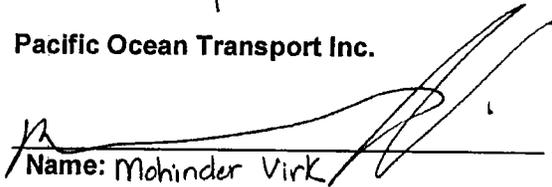
June 13, 2023  
Date

**T&S Transportation Systems Inc.**

  
Name: Harjeet Virk

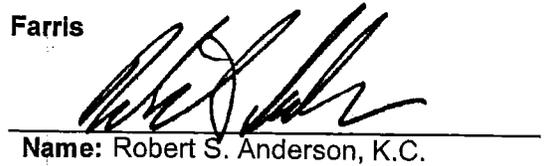
June 13, 2023  
Date

**Pacific Ocean Transport Inc.**

  
Name: Mohinder Virk

June 13, 2023  
Date

**Farris**

  
Name: Robert S. Anderson, K.C.

June 15, 2023  
Date

**Navistar International Corporation**

Name: \_\_\_\_\_

Date: \_\_\_\_\_

**11.17 Authority to Execute Settlement Agreement**

- (1) Each person executing this Settlement Agreement or any of its exhibits on behalf of any party hereto warrants that such person has the authority to do so.

**SIGNATURES OF THE AGREEMENT PARTIES INDICATING THEIR INTENTION TO BE BOUND CONTRACTUALLY TO THE TERMS OF THIS SETTLEMENT AGREEMENT APPEAR ON THE FOLLOWING PAGE.**

IN WITNESS HEREOF, the Agreement Parties have caused this Settlement Agreement to be executed, effective as of the date on the cover page.

**N&C Transportation Ltd.**

\_\_\_\_\_  
Name: \_\_\_\_\_ Date \_\_\_\_\_

**T&S Transportation Systems Inc.**

\_\_\_\_\_  
Name: \_\_\_\_\_ Date \_\_\_\_\_

**Pacific Ocean Transport Inc.**

\_\_\_\_\_  
Name: \_\_\_\_\_ Date \_\_\_\_\_

**Farris**

\_\_\_\_\_  
Name: \_\_\_\_\_ Date \_\_\_\_\_

**Navistar International Corporation**

  
Name: \_\_\_\_\_ Date 6/16/23

**Navistar, Inc.**



Name:

6/16/23

Date

**Navistar Canada ULC (formerly Navistar Canada, Inc.)**

Name:

Date

**Harbour International Trucks Ltd.**

Name:

Date

**Defendants' Counsel**

Name:

Date

**Edmund Zechel doing business as Zechel Trucking**

EDMUND ZECHEL

Date

**R&A Trans Corp.**

Name:

Date

**Consumer Law Group P.C.**

JEFF ORENSTEIN

Date

**Navistar, Inc.**

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Date

**Navistar Canada ULC (formerly Navistar Canada, Inc.)**

  
\_\_\_\_\_  
Name: Robert Soccio

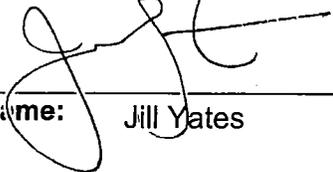
June 21 2023  
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Date

**Harbour International Trucks Ltd.**

  
\_\_\_\_\_  
Name: Robert Soccio

June 22 2023  
\_\_\_\_\_  
Date

**Defendants' Counsel**

  
\_\_\_\_\_  
Name: Jill Yates

June 22, 2023  
\_\_\_\_\_  
Date

**Edmund Zechel doing business as Zechel Trucking**

\_\_\_\_\_  
EDMUND ZECHEL

\_\_\_\_\_  
Date

**R&A Trans Corp.**

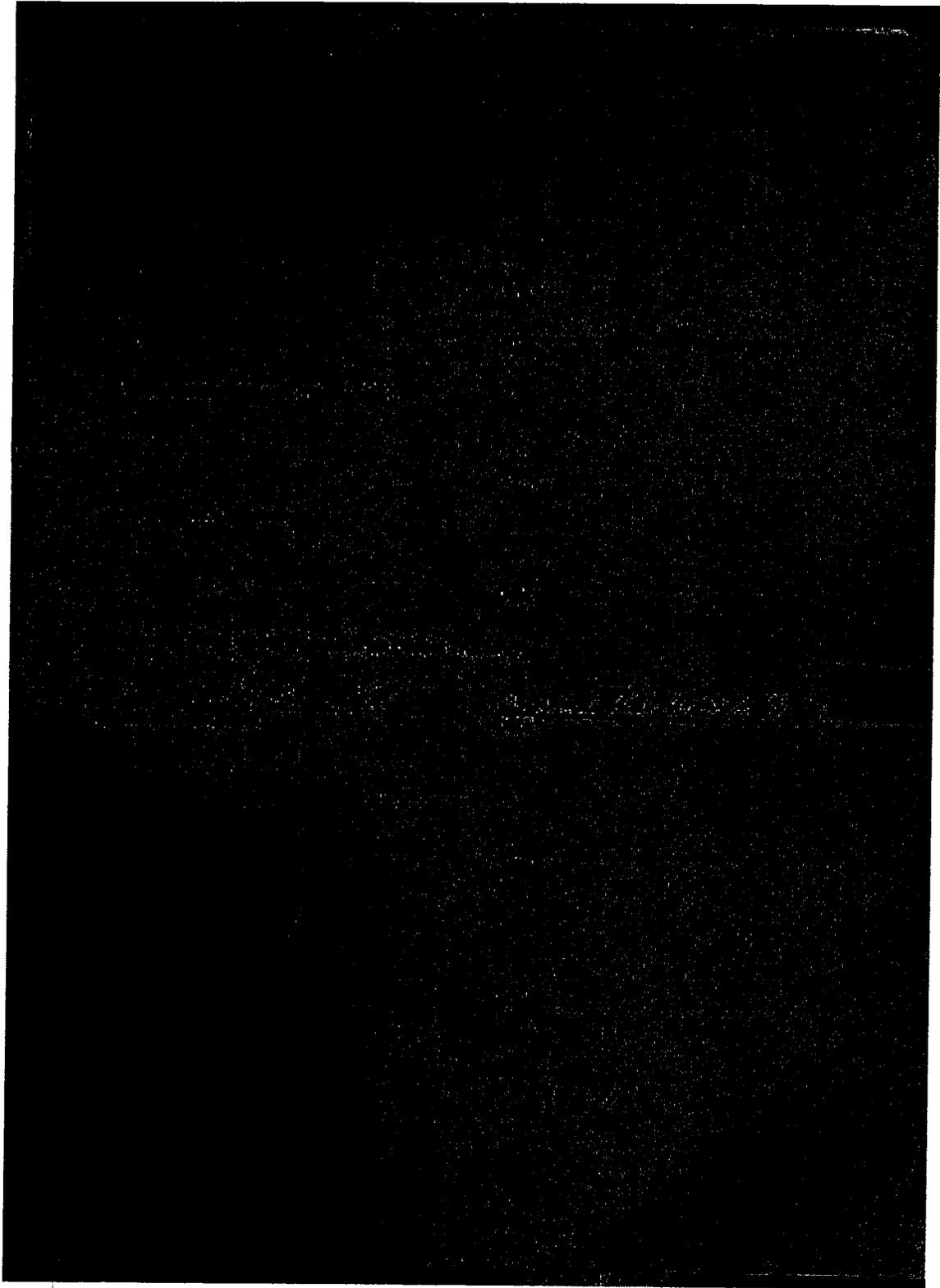
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**Consumer Law Group P.C.**

\_\_\_\_\_  
JEFF ORENSTEIN

\_\_\_\_\_  
Date



Navistar, Inc.

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Date

Navistar Canada ULC (formerly Navistar Canada, Inc.)

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Date

Harbour International Trucks Ltd.

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Date

Defendants' Counsel

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Date

Edmund Zechel doing business as Zechel Trucking

\_\_\_\_\_  
EDMUND ZECHEL

\_\_\_\_\_  
Date

R&A Trans Corp.

*Robert Hussler*

*June/20/2023*

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Date

Consumer Law Group P.C.

\_\_\_\_\_  
JEFF ORENSTEIN

\_\_\_\_\_  
Date

**Navistar, Inc.**

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Date

**Navistar Canada ULC (formerly Navistar Canada, Inc.)**

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Date

**Harbour International Trucks Ltd.**

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Date

**Defendants' Counsel**

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Date

**Edmund Zechel doing business as Zechel Trucking**

\_\_\_\_\_  
EDMUND ZECHEL

\_\_\_\_\_  
Date

**R&A Trans Corp.**

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Date

**Consumer Law Group P.C.**

  
\_\_\_\_\_  
JEFF ORENSTEIN

June 21, 2023  
\_\_\_\_\_  
Date

Raymond Bruhm

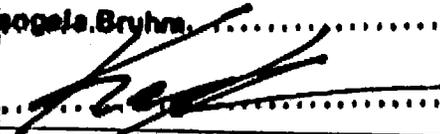


RAYMOND BRUHM

June 13, 2023

Date

Kayangea Bruhm

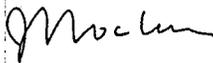


KAYANGEA BRUHM

June 13, 2023

Date

Rochon Genova



JOEL ROCHON

June 14, 2023

Date

Stayura Well Services Ltd.

Name:

Date

McClary Logistics Ltd.

Name:

Date

Foreman & Company

JOHNATHAN FOREMAN

Date

**Raymond Bruhm**

RAYMOND BRUHM

Date

**Kayangela Bruhm**

KAYANGELA BRUHM

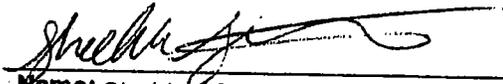
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**Rochon Genova**

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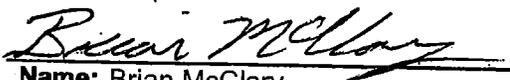
Date

**Stayura Well Services Ltd.**

  
Name: Sheldon Stayura

June 20, 2023  
Date

**McClary Logistics Ltd.**

  
Name: Brian McClary

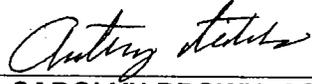
June 20, 2023  
Date

**Foreman & Company**

  
JOHNATHAN FOREMAN

June 20, 2023  
Date

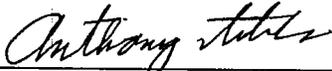
Carolyn Anne Brown, as Executrix of the  
Estate Of Vernon James Brown, Deceased



*for* CAROLYN BROWN, AS EXECUTRIX OF  
THE ESTATE OF VERNON JAMES  
BROWN, DECEASED

11 June 2023  
Date

Merchant Law Group



ANTHONY TIBBS

13 June 2023  
Date



3. BY CONSENT, if any provision of this Order is in conflict with the Settlement Agreement, the provision contained in this Order shall govern.
4. BY CONSENT, for the purposes of settlement only, and conditional on this Court's approval of the Settlement Agreement, the certification order in this action made on November 16, 2016, as amended, is further amended to define the Class in this action as:

All natural persons or entities resident in Canada, but not resident in Quebec, 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 Quebec File No. 500-06-000720-140, District of Montreal; (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 provide financing for 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.

5. BY CONSENT, for the purposes of settlement only, and conditional on this Court's approval of the Settlement Agreement, the common issues previously certified in this action by Order dated November 16, 2016, as amended, are hereby amended such that this action is certified on the basis of the following issue that is common to the Class:

Did the Defendants misrepresent, or otherwise breach their duties to the Class, related to the EGR emissions system in the Class Vehicles pursuant

to the doctrines of negligence, failure to warn, breach of express warranty, common law misrepresentation, or the *Competition Act*? If so, what damages or restitution ought to be awarded?

6. BY CONSENT, RicePoint Administration Inc. is hereby appointed to be the Settlement Administrator on a provisional basis for the purposes of giving the First Class Notice and for such other purposes contemplated within the Settlement Agreement pending this Court's consideration of the Settlement Approval Application.
7. BY CONSENT, the form of the First Short Form Notice and First Long Form Notice are approved, substantially in the form attached hereto as Schedules "B" and "C". Notice of this Order shall be provided to the Class by transmission of the First Class Notice as contemplated in the Settlement Agreement. The Settlement Administrator is directed to provide such notice as required by Section 3 of the Settlement Agreement.
8. BY CONSENT, the procedure by which a Class Member must give notice of their intention to opt-out of the Class as set forth in the Settlement Agreement is hereby approved.
9. BY CONSENT, the deadline by which a Class Member must give notice of their intention to opt-out of the Class shall be 4:00 pm on the date that is 60 days following the date the First Class Notice is disseminated, and if such date is a Saturday or "holiday" within the meaning of the *Interpretation Act* (British Columbia), then the next date, whichever is later.
10. BY CONSENT, each Class member who has not validly opted-out of the action will be bound by the Settlement Agreement, if approved by the Court, and may not opt out of the action in the future.
11. BY CONSENT, the procedure by which a Class Member must give notice of an intention to object to the Settlement or the Settlement Agreement set forth in the Settlement Agreement is hereby approved.
12. BY CONSENT, the deadline by which a Class Member must give notice that it intends to object to the Settlement or the Settlement Agreement shall be 4:00 pm on the date that is 60 days following the date the First Class Notice is disseminated, and if such

date is a Saturday or "holiday" within the meaning of the *Interpretation Act* (British Columbia), then the next date, whichever is later.

13. BY CONSENT, the Settlement Approval Hearing shall be heard at 10:00 am on [●date], or so soon thereafter as counsel may be heard.
14. BY CONSENT, leave is granted to the Settling Parties to vary or amend this Order by mutual agreement and subsequently reduced to a Consent Order and, failing such agreement, to seek to vary or amend this Order on application to this Court.
15. BY CONSENT, if the Settlement Agreement is not approved, is terminated in accordance with Sections 6.04 of the Settlement Agreement or otherwise fails to take effect for any reason, this Order, including certification for settlement purposes and all opt-out notices delivered pursuant to the Order, shall be set aside and declared null and void and of no force or effect, without the need for any further Order of this Court. In those circumstances, all parties to the Proceeding shall stand in the same position as if the Settlement Agreement had not been negotiated, made, or filed with the Court. A case management conference shall be convened to seek directions, including in respect of the need for and form and content of additional notice to Class members and to any person that delivered an opt-out notice pursuant to this Order.
16. BY CONSENT, shall be no costs against any party that consented to this application.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

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**ROBERT S. ANDERSON, K.C.**  
Counsel for the Plaintiffs

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**JILL YATES**  
Counsel for the Defendants

**BY THE COURT**

---

**REGISTRAR**

**SCHEDULE "A"  
TO THE ORDER**

**The Settlement Agreement**

## EXHIBIT 2 – FIRST SHORT FORM NOTICE

### LEGAL NOTICE AUTHORIZED BY THE SUPREME COURT OF BRITISH COLUMBIA NAVISTAR MAXXFORCE ENGINE CLASS ACTION AND PROPOSED SETTLEMENT

*Pour lire cet avis en français:* [●Settlement Website URL]

**TO: All persons and entities in Canada, excluding Quebec, 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.**

**This notice is only a summary. For more information, you can view the Long-Form Notice by visiting [●Settlement Website URL] or calling [●Settlement Administrator].**

#### **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 Quebec) who owned or leased a 2011-2014 model year Navistar vehicle equipped with a MaxxForce 11-, 13-, or 15-litre engine that used EGR but not SCR emissions technology (the “Class Vehicles”). The Class Vehicles are 2011-2014 model year vehicles. This includes the following Navistar truck brands: “PAYSTAR”, “WORKSTAR”, “TRANSTAR”, “9900I”, “LONESTAR”, and “PROSTAR”.

The Action claims that the Defendants sold or leased Class Vehicles equipped with a defective EGR emissions system. The Defendants deny these allegations but have agreed to a settlement with the Plaintiffs (the “Settlement”).

#### **Certification**

The Action was previously certified by the Supreme Court of British Columbia (the “Court”) on November 16, 2016, and amended by Court orders dated October 19, 2021 and February 24, 2022. Following the Settlement, the Court approved an amended class definition and certified the Action for settlement purposes. The Class includes all persons who owned or leased (for more than 30 days) a Class Vehicle, subject to certain exceptions.

#### **The Proposed Settlement**

A Settlement has been reached that resolves the Action as against the Defendants. The Settlement requires the payment of \$13,775,000 cash (the “Cash Amount”), and up to CAD \$725,000 towards rebates (the “Rebate Amount”), to a collective total of CAD \$14,500,000 for the benefit of the class, to be distributed at a later date. 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. If approved, the Defendants will be provided with a full and final release of claims made against them. The Settlement is not an admission of wrongdoing or liability in relation to the Action.

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 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 class members to submit a claim form to obtain money from the Settlement.

**Who is included?**

The Class is defined as follows:

All natural persons or entities resident in Canada, but not resident in Quebec, 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 Quebec File No. 500-06-000720-140, District of Montreal; (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 provide financing for 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

If you believe that you are a 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.

**Court Approval**

The Settlement must be approved by the Court before it becomes effective. If the Settlement is approved, the Action will be resolved in its entirety, and any claims class members have against the Defendants in respect of the Action will be extinguished unless you opt-out (see below).

At the Settlement Approval Hearing, the Court will determine whether the Settlement is fair, reasonable and in the best interest of the class. At the same hearing, class counsel may also be requesting Court approval of fees of up to 30% of the Cash Amount, plus out of pocket expenses paid for by class counsel over the course of the case and applicable taxes. If approved, the amount will be paid to class counsel out of the Cash Fund.

### **Opting Out of the Action**

Class members have the right to exclude themselves from the Action ("opt-out").

- If you opt-out, you will not be eligible to participate in or receive money from the Action or the Settlement, but you may be able to start or continue your own case regarding the claims at issue.
- If you do nothing, you will be eligible to participate in and may receive money from the Action but you will not be able to start or continue your own case regarding the claims at issue.

You may opt-out by providing notice to the Settlement Administrator by [●Date]. If you do not opt-out by [●Date], you will be bound by the outcome of the class action, including the Settlement (if approved). To exclude yourself, please visit [●Settlement Website URL] and follow the instructions for "opting out" of the Settlement, or call [●Settlement Administrator].

### **What are my options?**

1. If you think you are a class member and want to be included in the class and the Settlement (if approved), you do not need to do anything now. You will be notified again if the Settlement is approved by the Court.
2. If you think you are a member of the class but do not wish to participate in the Action or the Settlement, you may "opt out", or exclude yourself from the Action.
3. You may also comment on or object to the Settlement. To object, you must provide notice of your objection in the required form to Class Counsel by [●Date]. You cannot object without providing all required information with your objection. For information on how to object, and a list of required information, please visit [●Settlement Website URL] or call [●Settlement Administrator]. Class Counsel will provide any comments or objections to the Court.

**What happens next?** The court will hold a hearing on [●Date] to decide whether to approve the Settlement, class counsel's fees and the plaintiffs' honorarium. For details on how to attend, please contact class counsel.

**Who Represents Me?** Class members are represented by class counsel—Farris LLP, Foreman & Company Professional Corporation, and Rochon Genova LLP. You may contact Class Counsel at:

**Farris LLP (Canada, excluding Quebec Class Members):** (604) 661-9372 or email: [randerson@farris.com](mailto:randerson@farris.com) or [nhooqe@farris.com](mailto:nhooqe@farris.com) or [mkshergill@farris.com](mailto:mkshergill@farris.com) (English and Punjabi)

**Foreman & Company and Rochon Genova LLP (Ontario Class Members):** Toll free at 1-855-814-4575 ext. 106 or email: [classactions@foremancompany.com](mailto:classactions@foremancompany.com)

If you want to be represented by your own lawyer, you may hire one at your own expense.

**How do I get more information?** Please visit [●Settlement Website URL] or call [●Settlement Administrator].

### EXHIBIT 3 – FIRST LONG FORM NOTICE

#### LEGAL NOTICE AUTHORIZED BY THE SUPREME COURT OF BRITISH COLUMBIA

#### NAVISTAR MAXXFORCE ENGINE CLASS ACTION AND PROPOSED SETTLEMENT

*Pour lire cet avis en français: [●Settlement Website URL]*

**TO: All persons and entities In Canada, excluding Quebec, 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 Quebec) 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 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 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 [●Date]. If you do not opt-out by [●Date], 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 Class but have comments or an object 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 and by [•Date]. 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 class.

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

### **Why did I receive a notice?**

You received this notice because our records indicate that you may be a Class member. If you are a 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 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 equipped with 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 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 Class Member:

All natural persons or entities resident in Canada, but not resident in Quebec, 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 Quebec File No. 500-06-000720-140, District of Montreal; (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 provide financing for 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 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 [●Email Address] or [●Phone Number].

**I'm still not sure if I'm Included**

This notice contains only a summary of the Settlement and Class Members are encouraged to review the complete Settlement agreement online. A copy can be downloaded from the settlement website at [●Settlement Website URL].

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 \$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 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 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:

<b>Class Vehicle Model Year</b>	<b>Monetary Amount</b>
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 dependant 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 [●Settlement Website URL]. 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 [●Settlement Website URL]. 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 [●Date]. After that hearing, the Court will set a schedule 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 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 [●Date]. 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 Class member who wants to be excluded from the Action must submit a request to opt-out to the settlement administrator at the following address:

[●Settlement Administrator's address].

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 [●Date]. It must include: (1) the class member's full name, address, and telephone number; (2) the model, model year, and VIN of the class member's Class Vehicle(s); (3) an explicit and unambiguous statement of the class member's desire to opt out of the class; and (4) the class member's signature. If the 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 representative 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 class members' against the Defendants relating to the claims in the lawsuit. You must exclude yourself from this 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?**

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?**

Counsel's fees must be approved by the Court. Class counsel and counsel to the plaintiff in the Manitoba action 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. Counsel will also ask the court to approve "disbursements" which are out of pocket expenses that 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 will also ask the court to approve an award of \$6,000 to each of the representative plaintiff(s), and/or those proposed representative 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 class members.

The amounts paid to class counsel and the representative plaintiffs will be deducted from the Cash Funds.

If you wish to comment on or make an objection to class counsel's fees or the proposed honorarium to the representative plaintiffs, a written submission and other information about you must be delivered to Class Counsel (contact particulars below) by [●Date]. Class Counsel will forward all such submissions to the Court. For information on what you need to submit, please visit [●Settlement Website URL].

**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 [●Date]. 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 [●Settlement Website URL], 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 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 [●Date] or it may not be considered. For more information, please visit [●Settlement Website URL].

**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 [●Settlement Website URL]. In the event of any conflict between the terms used in this notice and the Settlement, the terms in the Settlement 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 [●Email] and [●Phone]

Class Counsel can be contacted at:

Farris LLP (Rest of Canada, excluding Quebec)

2500 – 700 West Georgia Street

Vancouver, BC V7Y 1B3

**Attention Robert Anderson, KC and Nicholas Hooge and Mohnaam K Shergill**

Phone: 1 (604) 661-9372

Email: [randerson@farris.com](mailto:randerson@farris.com) and [nhooge@farris.com](mailto:nhooge@farris.com) and [mkshergill@farris.com](mailto: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](mailto:classactions@foremancompany.com)

**Rochon Genova LLP (Ontario)**  
121 Richmond St W Suite 900,  
Toronto, ON M5H 2K1  
**Attn: Joel Rochon**  
Phone: 416-363-1867  
Email: [contact@rochongenova.com](mailto:contact@rochongenova.com)

## QUEBEC

### What about residents of Quebec?

Residents of Quebec were eligible for a different settlement from a different case: *4037308 Canada Inc. v. Navistar Canada Inc.*, Superior Court of Quebec File No. 500-06-000720-140, District of Montreal. That settlement was approved, and the opportunity to claim compensation in that settlement has now closed. Any questions on the Quebec settlement may be directed to Consumer Law Group Inc., counsel for the Quebec class, at Tel: (514) 266-7863, or email: [info@clg.org](mailto:info@clg.org).



1. BY CONSENT, the headings in this Order are for reference only and do not affect the meaning or interpretation of the Order.
  2. BY CONSENT, the Settlement Agreement appended hereto as **Schedule "A"** is incorporated by reference into, and forms part of this Order.
  3. BY CONSENT, and except to the extent they are modified by this Order, capitalized terms used in this Order shall have the meanings given to them in the Settlement Agreement.
  4. BY CONSENT, if any provision of this Order is in conflict with the Settlement Agreement, the provision contained in this Order shall govern.
  5. BY CONSENT, the Settlement Agreement is declared to be fair, reasonable and in the best interests of the Plaintiffs and the Settlement Class.
  6. BY CONSENT, the Settlement Agreement is hereby approved pursuant to Section 35 of the *Class Proceedings Act*, RSBC 1996, c. 50 and shall be implemented and enforced in accordance with its terms.
- B. The Settlement Agreement is binding on all Settlement Class Members**
7. BY CONSENT, the Settlement Agreement is declared to be binding upon the Plaintiffs, all Settlement Class Members (including those Persons who are minors or mentally incapable without the necessity of appointing a litigation representative), and Class Counsel.
  8. BY CONSENT, upon the Effective Date, every Settlement Class Member shall be deemed to have consented to this Order.
- C. All Claims and Released Claims are dismissed and released as against the Settling Defendants and no future Claims can be brought against them**
9. BY CONSENT, upon the Effective Date, any and all Claims commenced in the Action by the Plaintiffs as against the Defendants shall be, and are hereby, dismissed, with prejudice and without costs.

10. BY CONSENT, upon the Effective Date, any and all Released Claims commenced in the Action by the Plaintiffs on behalf of every Settlement Class Member shall be, and are hereby, dismissed against the Defendants, with prejudice and without costs.
11. BY CONSENT, upon the Effective Date, the Plaintiffs and each Settlement Class Member shall be deemed hereby to release and forever discharge the Released Parties of and from any and all Released Claims. The release and discharge set forth in this paragraph shall be effective notwithstanding the discovery or existence of additional or different facts than those known or believed to be true by the Plaintiffs, Settlement Class Members, Class Counsel or any of them with respect to the Released Claims.
12. BY CONSENT, upon the Effective Date, the Plaintiffs and each Settlement Class Member shall be deemed to covenant and undertake not to sue, assert any Claim within the scope of the Released Claims or to threaten, commence, or continue any Claim within the scope of the Released Claims in any jurisdiction against the Released Parties. The covenant and undertaking not to sue set forth in this paragraph shall be effective notwithstanding the discovery or existence of additional or different facts than those known or believed to be true by the Plaintiffs, Settlement Class Members, Class Counsel or any of them with respect to the subject matter of the Released Claims.
13. BY CONSENT, upon the Effective Date, the Plaintiffs and each Settlement Class Member shall not now or hereafter commence, institute, continue, maintain or assert, either directly or indirectly, whether in Canada or elsewhere, on their own behalf or on behalf of any class or any other Person, any Claim within the scope of the Released Claims against any Released Party or any other Person who may claim contribution or indemnity from any Released Party in respect of any Released Claim.
14. BY CONSENT, for purposes of enforcement of this Order, this Court will retain an ongoing supervisory role and the Defendants will attorn to the jurisdiction of this Court for this purpose.

**D. Confirmation of Settlement Administrator**

15. BY CONSENT, the appointment of RicePoint Administration Inc. as the Settlement Administrator is hereby confirmed and made permanent, subject to the provisions of this Order.
16. BY CONSENT, the appointment of RicePoint Administration Inc. as the Settlement Administrator may only be changed by further order of this Court on the application of one of the Settling Parties or the Settlement Administrator on notice to the Settling Parties and the Settlement Administrator.

**E. Transactions**

17. BY CONSENT, Class Counsel shall hold the Cash Fund in trust for the benefit of the Settlement Class. At the conclusion of the claim process, the Cash Fund shall be transferred to the Settlement Administrator who is hereby authorized to administer the Cash Fund, net of any Court-approved deductions including Class Counsel Fees and Settlement Fees and Expenses, in accordance with the Settlement Agreement.
18. BY CONSENT, leave is granted to the Settlement Administrator to apply to this Court to resolve any question or issue arising out of, or related to the administration of the Cash Fund on notice to the Settling Parties and the Settlement Administrator.
19. BY CONSENT, the Defendants shall have no responsibility for, and nor liability whatsoever with respect to, the administration of the Cash Fund including in respect of Settlement Fees and Expenses.
20. BY CONSENT, the methods for a Settlement Class Member to establish an entitlement to a payment from the Cash Fund, and the payments contemplated, under the Settlement Agreement are approved.
21. BY CONSENT, the Settlement Administrator is entitled to its reasonable fees and disbursements at its standard rates and charges in connection with its administration of the claims and distribution process under the Settlement Agreement (defined as "Settlement Administrator Fees and Expenses" in the Settlement Agreement).

22. BY CONSENT, upon distribution of the Cash Fund in its entirety, the Settlement Administrator shall provide a full and complete accounting of the distribution of the Cash Fund to this Honourable Court and the Settling Parties.
23. BY CONSENT, the Defendants shall make available to the Settlement Class in the Rebate Fund rebates with a face value in the aggregate of \$725,000.
24. BY CONSENT, the Defendants shall administer the Rebate Fund in accordance with the Settlement Agreement.
25. BY CONSENT, leave is granted to the Defendants to apply to this Court to resolve any question or issue arising out of, or related to the administration of the Rebate Fund on notice to the Plaintiffs and Class Counsel.

**F. Notice**

26. BY CONSENT, notice of this Order shall be provided to the Settlement Class by transmission of the Second Class Notice as contemplated in the Settlement Agreement. The Settlement Administrator is directed to provide such notice as required by Section 7 of the Settlement Agreement.

**G. No costs**

27. BY CONSENT, there shall be no costs against any party that consented to this Application.

**H. Final Order and Judgment**

28. BY CONSENT, on granting its approval of the Distribution Approval Application, this Order shall become final and binding and this Action shall thereby be concluded subject to the Court's ongoing jurisdiction with respect to the administration of the Settlement Agreement and the claims process.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

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**ROBERT S. ANDERSON, K.C.**  
Counsel for N&C Transportation Ltd.

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**JILL YATES**  
Counsel for the Defendants

**BY THE COURT**

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**REGISTRAR**

**SCHEDULE "A"**  
**TO THE ORDER**

**The Settlement Agreement**

## EXHIBIT 5 – SECOND SHORT FORM NOTICE

### LEGAL NOTICE AUTHORIZED BY THE SUPREME COURT OF BRITISH COLUMBIA

#### NAVISTAR MAXXFORCE ENGINE SETTLEMENT – CLAIMS PROCESS NOW OPEN

*Pour lire cet avis en français:* [●Settlement Website URL]

**TO: All persons and entities in Canada, excluding Quebec, 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.**

**This notice is only a summary. For more information, you can view the Long-Form Notice by visiting [●Settlement Website URL] or contact the Settlement Administrator at [●TEL and EMAIL].**

#### **How do I make a claim?**

All Class Members who wish to make a claim for compensation under the Settlement must submit a claim no later than [●Date], 2023.

Claims that are not made by the deadline are not eligible for compensation.

Claims are to be submitted online through the Settlement Website, [●Settlement Website URL]. If you are unable to make an online claim, a paper claim can be requested from the Settlement Administrator at [●Information].

#### **What can I get?**

For each eligible Class Vehicle, you may elect one of three options:

1. The cash option provides a payment up to \$2,500 per vehicle based on months of ownership/lease;
2. 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 (to a maximum of 10 rebates); or
3. The individual prove-up option will reimburse a class member for up to \$15,000 of proven covered costs per Class Vehicle.

This is just a summary. For more information, review the Long-Form Notice at [●Settlement Website URL] or call [●Settlement Administrator] for more information.

#### **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 Quebec) who owned or leased a 2011-2014 model year Navistar vehicle equipped with a MaxxForce 11-, 13-, or 15-litre engine (the "Class Vehicles"). The Action claims that the Defendants sold or leased Class Vehicles

equipped with a defective EGR emissions system. The Defendants deny these allegations but have agreed to a settlement with the Plaintiffs (the "Settlement").

#### **What are the Details of the Settlement?**

The court-approved Settlement provides payment of \$13,775,000 cash (the "Cash Amount"), and up to CAD \$725,000 towards rebates (the "Rebate Amount"), to a collective total of CAD \$14,500,000 for the benefit of the class (the "Settlement Amount"). The Settlement was approved by the Supreme Court of British Columbia (the "Court") on [●Date] 2023.

The Cash Amount, less Court-approved fees, disbursements, notice costs, and applicable taxes are being held in an interest-bearing trust account for the benefit of all Class Members (the "Cash Funds", and together with the Rebate Amount, the "Settlement Funds").

The Settlement resolves 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 provides benefits to Settlement Class Members who have not excluded themselves, including payments to Settlement Class Members who submit valid claims.

#### **Who is Included in the Settlement?**

The Class is defined as follows:

All natural persons or entities resident in Canada, but not resident in Quebec, 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 Quebec File No. 500-06-000720-140, District of Montreal; (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 provide financing for 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

The Class Vehicles are 2011-2014 model year vehicles. This includes the following Navistar truck brands: "PAYSTAR", "WORKSTAR", "TRANSTAR", "9900i", "LONESTAR", and "PROSTAR".

Class Members who have excluded themselves are not eligible to make a claim.

**Who Represents Me?**

Class members are represented by class counsel - Farris LLP, Foreman & Company Professional Corporation, and Rochon Genova LLP. You may contact Class Counsel at:

**Farris LLP (Canada, excluding Quebec Class Members):** (604) 661-9372 or email: [randerson@farris.com](mailto:randerson@farris.com) or [nhooge@farris.com](mailto:nhooge@farris.com)

**Foreman & Company and Rochon Genova LLP (Ontario Class Members):** Toll free at 1-855-814-4575 ext. 106 or email: [classactions@foremancompany.com](mailto:classactions@foremancompany.com)

You do not need your own lawyer to make a claim, the Claims Administrator and Class Counsel can assist but if you want to be represented by your own lawyer, you may hire one at your own expense.

**Who is Administering the Settlement?**

RicePoint Administration Inc. (the "Settlement Administrator") has been retained and approved by the Court to administer the settlement. The Settlement Administrator should be the first point of contact for Class Members who have questions about the claims process, including about how to make a claim. The Settlement Administrator's full contact particulars are set out below. If Class Members still have questions after speaking with the Settlement Administrator, please contact Class Counsel.

**[●RicePoint Contact Particulars]**

**How do I get more information?** Please visit [●Settlement Website URL] or call [●Settlement Administrator].

**There will be no further notice in relation to this settlement.**

## EXHIBIT 6 – SECOND LONG FORM NOTICE

### LEGAL NOTICE AUTHORIZED BY THE SUPREME COURT OF BRITISH COLUMBIA

#### NAVISTAR MAXXFORCE ENGINE SETTLEMENT

*Pour lire cet avis en français:* [●Settlement Website URL]

**TO: All persons and entities in Canada, excluding Quebec, 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 as a result of a settlement in this class action.  
Read this notice carefully.**

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.

**If you want to claim compensation you must do so by [●Date] by filing a claim at [claims website]. If you do not make a claim by [●Date] you will not be entitled to receive anything from the settlement.**

This notice is only a summary. For more information, visit [●Settlement Website URL] or call [●Settlement Administrator].

#### 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 class.

N&C Transportation Ltd. is the representative plaintiff in this Action. The Action was certified for settlement purposes on [●date], 2023.

##### **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 Quebec) who owned or leased a 2011-2014 model year Navistar vehicle equipped with a MaxxForce 11-, 13-, or 15-litre engine (the "Class Vehicles"). The Action claims that the Defendants sold or leased Class 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

### What is the Settlement?

A Settlement has been reached that provides payment of \$13,775,000 cash (the "Cash Amount"), and up to CAD \$725,000 towards rebates (the "Rebate Amount"), to a collective total of CAD \$14,500,000 for the benefit of the class (the "Settlement Amount"). The Settlement was approved by the Supreme Court of British Columbia (the "Court") on [●Date] 2023.

The Cash Amount, less Court-approved fees, honorarium, disbursements, notice costs, administration costs, and applicable taxes are being held in an interest-bearing trust account for the benefit of all Class Members (the "Cash Funds", and together with the Rebate Amount, the "Settlement Funds").

The Settlement resolves all outstanding class litigation against the Defendants on a national basis including similar cases previously brought by lawyers in Ontario, Alberta and Manitoba. It will provide benefits to Settlement Class Members who have not excluded themselves and who submit valid claims.

### Why did I receive another notice?

You received this notice because our records indicate that you may be a Settlement Class Member. Settlement Class Members who did not exclude themselves must now make claims if they want compensation from the Settlement.

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

This notice and the lawsuit affects you only if you are part of the Settlement 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 Quebec, 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 Quebec File No. 500-06-000720-140, District of Montreal; (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 provide financing for 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.

If you excluded yourself, you are no longer in the class even if you meet the definition.

**Which 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".

**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 [[Settlement Website URL](#)].

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

**THE CLAIMS PROCESS**

**What can I claim?**

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:

<b>Class Vehicle Model Year</b>	<b>Monetary Amount</b>
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, and 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 dependant 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 [●Settlement Website URL].

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 [●Settlement Website URL].

For any questions related to making a claim and a further explanation of your options, please contact the Settlement Administrator at [●info]. For any other questions, please contact Class Counsel at the information below.

**How do I submit a claim?**

You must submit a claim form and supporting information to the Settlement Administrator. Claims forms, information on how to complete them, and the information required by the Settlement Administrator are available online at [●Settlement Website URL].

You may submit your claim form and supporting information online or by mail. If you are unable to make an online claim, please request a paper claims form from the Settlement Administrator at [●information].

All Class Members who wish to make a claim for compensation under the Settlement must submit a claim no later than [●Date], 2023.

Claims that are not made by the deadline are not eligible for compensation.

**Do I need a lawyer to make a claim?**

You do not need your own lawyer to make a claim. Class members are represented by class counsel - Farris LLP, Foreman & Company Professional Corporation, and Rochon Genova LLP. You may contact Class Counsel at the information below.

If you want to be represented by your own lawyer to assist you with a claim, you may hire one at your own expense.

**MORE INFORMATION**

**How do I get more information, including more details about the settlement?**

This notice summarizes the key parts of the Settlement. You can read the entire Settlement agreement and other important documents at [●Settlement Website URL]. In the event of any conflict between the terms used in this notice and the Settlement, the terms in the Settlement prevail.

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

[●RicePoint details in full]

Class Counsel can be contacted at:

Farris LLP (Rest of Canada, Excluding Quebec)  
2500 – 700 West Georgia Street  
Vancouver, BC V7Y 1B3  
**Attention Robert Anderson, KC and Nicholas Hooge**  
Phone: 1 (604) 661-9372  
Email: [randerson@farris.com](mailto:randerson@farris.com) and [nhooge@farris.com](mailto:nhooge@farris.com)

**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](mailto:classactions@foremancompany.com)

**Rochon Genova LLP (Ontario)**  
121 Richmond St W Suite 900,  
Toronto, ON M5H 2K1  
**Attn: Joel Rochon**  
Phone: 416-363-1867  
Email: [contact@rochongenova.com](mailto:contact@rochongenova.com)

## QUEBEC

### **What about residents of Quebec?**

Residents of Quebec were eligible for a different settlement from a different case: *4037308 Canada Inc. v. Navistar Canada Inc.*, Superior Court of Quebec File No. 500-06-000720-140, District of Montreal. That settlement was approved, and the opportunity to claim compensation in that settlement has now closed. Any questions on the Quebec settlement may be directed to Consumer Law Group Inc., counsel for the Quebec class, at Tel: (514) 266-7863, or email: [info@clg.org](mailto:info@clg.org).

## SCHEDULE "B" [PLAN OF DISSEMINATION]

### Navistar National Class Action – Notice Plan

The Notice of Hearing of the BC Action will be distributed and published in Short-Form, Long-Form, press release and banner ad format (collectively the "Notices"). The Notices will advise Class Members of the basic terms of the Settlement Agreement and their rights to opt-out of the class proceeding and participate in the settlement and fee approval hearings. The Notices will be produced in English and the Short-Form and Long-Form Notices will be produced in Punjabi. The Notices will be delivered via direct mail, email, press release, digital and social media as follows:

#### **Direct Mail Campaign**

##### Short-Form Notice Dissemination

- 1) Class Counsel will provide the settlement administrator with an electronic copy of the spreadsheet that is Exhibit "K" to the Affidavit of Tarryn Winkler, identifying approximately 1,622 unique individuals and businesses to whom the approximate 5,864 class vehicles were initially delivered, made August 29, 2022. Additionally, the settlement administrator will seek contact and vehicle information from public records, including through use of VIN databases maintained by government entities, as necessary.
- 2) A direct mailing and/or emailing of the Short-Form Notice of hearing to class members identified as a result of the information provided in the Affidavit of Tarryn Winkler and the settlement administrator's search of public records. The settlement administrator shall (i) re-mail any notices returned by Canada Post with a forwarding address as soon as practicable; and (ii) research such returned mail for more accurate addresses and promptly mail copies of the applicable notice to any more accurate addresses so found.
- 3) Via email and/or direct mailing to all those persons who have been in contact with Class Counsel about the litigation.

- 4) The Long-Form Notice will be sent, via email or first-class mail, to any persons who request it.

## **Media Publications**

### Press Release

- 5) To major news and broadcast outlets across Canada, in English, through a Press Release on Canadian Newswire.

## **Digital and Social Media**

- 6) A case website has been established at <http://www.navistarclassaction.ca/> (the "Settlement Website") that will inform Class Members of the terms of the Settlement Agreement, their rights, dates and deadlines and related information. The Short-Form and Long-Form Notices will be posted on the Settlement Website in English and Punjabi. Any additional materials agreed upon by the Settling Parties and/or as ordered by the Court, shall be posted on the Settlement Website in English.
- 7) Class Counsel will post the Short-Form and Long-Form Notices, both in English and Punjabi, as well as a copy of the Settlement Agreement, and any other materials as agreed upon between the parties or as ordered by the Court, on their firms' websites.
- 8) Class Counsel will post a link to the Settlement Website on their social media accounts including but not limited to Twitter, LinkedIn and Facebook, to the extent that such accounts exist.
- 9) A nationally syndicated digital distribution of the banner ad on the Google Display Network, the Facebook network, and to news media websites within the PostMedia network for a period of sixty (60) days, with a target of a minimum 750,000 unique impressions. The banner ad will be provided in English and may be modified as necessary to fit the dimensions and specifications as required by particular websites and media providers. The

banner ad will redirect class members to the Settlement Website where they will be able to consult the Short-Form Notice and Long-Form Notice among other case documents.

**IN THE SUPREME  
COURT OF BRITISH COLUMBIA**

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BETWEEN:

N&C TRANSPORTATION LTD., T&S TRANSPORTATION  
SYSTEMS INC., and PACIFIC OCEAN TRANSPORT INC.

PLAINTIFFS

AND:

NAVISTAR INTERNATIONAL CORPORATION, NAVISTAR INC.,  
NAVISTAR CANADA INC. and HARBOUR INTERNATIONAL TRUCKS LTD.

DEFENDANTS

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**ORDER MADE AFTER APPLICATION**

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RSA/ek

File no.: 36346-1

**FARRIS LLP**  
Barristers & Solicitors  
2500 – 700 West Georgia Street  
Vancouver, B.C. V7Y 1B3

Telephone: (604) 684-9151