

LONG FORM NOTICE OF PROPOSED SETTLEMENT

**TOYOTA TACOMA, TUNDRA, AND SEQUOIA CLASS ACTION SETTLEMENT**

**THIS IS A FORMAL NOTICE, APPROVED BY THE COURT, OF A PROPOSED SETTLEMENT OF CLASS ACTIONS OF WHICH YOU MAY BE A MEMBER OF THE CLASS. PLEASE READ THIS NOTICE CAREFULLY AS IT MAY AFFECT YOUR RIGHTS AND YOU MAY BE ELIGIBLE FOR COMPENSATION.**

You may:		Date/Claim Period
SEEK INSPECTION UNDER THE FRAME INSPECTION AND REPLACEMENT PROGRAM	Have the frame of your vehicle inspected, free of charge, to determine whether your frame should be replaced. If the inspection shows that your frame should be replaced, an authorized Toyota Dealer will replace the frame, at no cost to you. <u>You can take your Subject Vehicle into a Toyota Dealer as of July 21, 2018.</u>	The longer of either (a) twelve (12) years from the date the vehicle was originally sold or leased; or (b) one (1) year from July 21, 2018
FILE A CLAIM TO SEEK REIMBURSEMENT	You may submit Claims for previously paid out-of-pocket costs for frame replacement incurred on a Subject Vehicle to address rust perforation that satisfies the Rust Perforation Standard that were incurred prior to June 8, 2018 and that were not otherwise reimbursed. This is the only way that you can get reimbursed.	November 19, 2018 (Subject to Courts' approval)
COMMENT	Write to the Court about the proposed settlement.	August 29, 2018
EXCLUDE YOURSELF	Ask to get out (opt out) of the class action. If you do this, you are not entitled to any of the settlement benefits, but you keep your right to sue Toyota about the issues in your own lawsuit.	October 22, 2018
APPEAR IN THE LAWSUIT OR GO TO THE APPROVAL HEARING(S)	You are not required to enter an appearance in the lawsuit in order to participate in the proposed settlement approval hearing(s), but you may enter an appearance on your own or through your own lawyer in addition to filing an objection if you do not opt out. You can also ask to speak in Court at the approval hearing(s) about the proposed settlement, if you have previously filed an objection and submitted a timely notice of intention to appear at the approval hearing(s).	August 29, 2018

**PURPOSE OF THIS NOTICE**

This notice applies to all persons residing in Canada who as of June 8, 2018, own or owned, purchased, or lease(d) the following Toyota vehicle models:

- Toyota Tacoma, Model Years 2005-2010
- Toyota Tundra, Model Years 2007-2008
- Toyota Sequoia, Model Years 2005-2008

distributed for sale or lease in Canada (called the "Subject Vehicles").

The purpose of this Notice is to inform **Class Members** (defined below) of their rights and options in respect of a settlement agreement that resolves the litigation, described below, across Canada and will provide benefits to Class Members and, in some cases, will pay money to Class Members who submit valid claims.

If you want more detail or would like a copy of the statements of claim or the Settlement Agreement, they are available at [www.Toyotaframesettlement.ca](http://www.Toyotaframesettlement.ca) or a copy can be obtained by contacting Class Counsel as listed below or by contacting the Settlement Notice and Claims Administrator.

**THE LITIGATION**

On November 21, 2016, a proposed class action was initiated in the Ontario Superior Court of Justice (the "**Ontario Court**") on behalf of all persons, entities or organizations residing in Canada who purchased and/or leased a Subject Vehicle. This action is styled

*Forbes and Legacé v. Toyota Canada Inc.*, Court File No. 16-70667-CP (the “**Ontario Action**”).

On November 17, 2016, a proposed class action was initiated in the Superior Court of Quebec (the “**Quebec Court**” and, with the Ontario Court, the “**Courts**”) on behalf of all persons and organizations in Canada who purchased and/or leased a Subject Vehicle. This action is styled *Muraton v. Toyota Canada Inc.*, Court File No. 500-06-000825-162 (the “**Quebec Action**”).

Two other actions have also been commenced in Ontario, styled *Eveland v. Toyota Canada Inc.*, Court File No. CV-17-569403-00CP, and *Ratz v. Toyota Canada Inc.*, Court File No. 618-17 CP. These actions are being discontinued as part of the settlement.

The Ontario and Quebec Actions allege that the Subject Vehicles were subject to excessive, premature rust corrosion during their normal use. Toyota denies that it committed any violations of law, engaged in any unlawful act or conduct, or that there is any basis for liability for any of these allegations.

The Courts have not taken any position as to the truth or merits of the claims or defences of the parties.

The Courts will each hold a hearing to decide whether to approve this settlement. The hearing in the Ontario Court will take place at the courthouse at 161 Elgin Street, Ottawa, Ontario, K2P 2K1 on September 7, 2018 at 10:00AM. The hearing in the Quebec Court will take place at the Palais de Justice, 1 Notre-Dame St. E., Montreal, Quebec, H2Y 1B6, courtroom 2.08 on September 5, 2018 at 9:30AM. The Courts will decide whether the settlement is fair, reasonable, and in the best interests of Class Members.

## THE SETTLEMENT CLASS

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The **Class Members** consist of all persons, entities, or organizations residing in Canada who, as of June 8, 2018 own or owned, purchase(d), or lease(d) any of the Subject Vehicles.

Excluded from the Class are: (a) Toyota, its officers, directors, and employees; its affiliates and affiliates’ officers, directors, and employees; its distributors and distributors’ officers, directors and employees; and Toyota Dealers and Toyota Dealers’ officers and directors; (b) Class Counsel; (c) judicial officers and their immediate family members and associated court staff assigned to this case; and (d) persons or entities who or which timely and properly exclude themselves from the Class as provided in this Settlement Agreement.

## SUMMARY OF SETTLEMENT AGREEMENT

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Toyota, while not admitting liability and in return for a release regarding the issues in the lawsuits – explicitly described in section 12 of the Settlement Agreement – will provide benefits to eligible Class Members, subject to the terms of the Settlement Agreement. After consultation with Class Counsel, Toyota will implement the Frame Inspection and Replacement Program beginning on July 21, 2018, to expedite relief to the Class. You can bring your Subject Vehicle into a Toyota Dealer beginning on July 21, 2018 to have it inspected, free of charge.

However, not all of the benefits in the Settlement have to be provided until and unless the settlement is fully approved, including resolving any appeals in favor of upholding the settlement. Since we do not know precisely when all of the benefits may be available, please check [www.Toyotaframesettlement.ca](http://www.Toyotaframesettlement.ca) regularly for updates regarding the settlement. The Frame Inspection and Replacement Program includes:

- Free Frame Inspections at authorized Toyota Dealers to determine whether your Subject Vehicle’s frame should be replaced and, if the Subject Vehicle is registered in Canada, the Subject Vehicle will also be evaluated for application of the Corrosion-Resistant Compounds (“CRC”)
    - If the frame meets the Rust Perforation Standard, which is a 10 millimeter or larger perforation on the Subject Vehicle, as further described in the Settlement Agreement’s Inspection Protocol, a replacement will be provided at no cost to you; or
    - If the frame does not meet the Rust Perforation Standard, CRC has not been previously applied and your frame has not been previously replaced, CRC will be applied at no cost to you. Toyota will send a
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reminder notice to the Class when there is only six months remaining for the CRC.

Reimbursement for Class Members who previously paid out-of-pocket for frame replacement due to rust perforation that satisfies the Rust Perforation Standard that were not otherwise reimbursed and that were incurred prior to June 8, 2018.

## RELEASE OF CLASS MEMBERS' CLAIMS

In exchange for the settlement benefits, the Actions will be settled or dismissed and the Class Members will release all claims (except personal injury claims, wrongful death, or actual physical property damage arising from an accident involving a Subject Vehicle) against any Toyota entity based on the excessive, premature rust corrosion that is the subject of the Actions.

## WHAT DO YOU NEED TO DO?

If you want to be a member of this class action, you do not need to do anything. Simply schedule an appointment with an authorized Toyota dealer, who will perform the inspection and relevant next steps described above.

If you believe you qualify for reimbursement of out-of-pocket expenses, you have up to and including sixty (60) days after the Courts' issuance of the Final Orders and Final Judgments to postmark or electronically file a Claim. Visit [www.Toyotaframesettlement.ca](http://www.Toyotaframesettlement.ca) for more information on the claims process. If a Class Member does not timely and properly make a claim under the settlement agreement, he or she will be forever barred from receiving any reimbursement under the settlement.

If you want to tell the Courts what you think about the proposed settlements or speak to the Courts at the hearings listed above, Class Counsel must receive your submission by mail at Consumer Law Group P.C., 251 Laurier Ave. West, Suite 900, Ottawa, Ontario, K1P 5J6 **no later than August 29, 2018**. The written submissions must state the nature of any comments or objections, and whether you intend to appear at the settlement approval hearing. The written submission of any Class Member must include: (a) a heading which refers to the Actions; (b) the commenter's full name, telephone number, email address (if any), and address (the commenter's actual residential address must be included); (c) if represented by counsel, the full name, telephone number, and address of all counsel; (d) all of the reasons for his or her comments; (e) whether the commenter intends to appear at the Approval Hearing(s) on his or her own behalf or through counsel; (f) a statement that the commenter is a Class Member, including the make, model, year, and VIN(s) of the Subject Vehicle(s); and (g) the commenter's dated, handwritten signature (an electronic signature or lawyer's signature are not sufficient). Any documents supporting the comments must be attached to the written submission. If any testimony is proposed to be given in support of the comment at the Approval Hearing(s), the names of all persons who will testify must be set forth in written submission.

You may (but do not need to) attend the hearings. If you wish to attend the hearings, please contact Class Counsel for additional details.

## OPTING OUT OF THE CLASS ACTION

You can choose to exclude yourself from the class actions ("opt out"). You can opt out by sending an Opt Out Form to the Settlement Administrator, available at [www.Toyotaframesettlement.ca](http://www.Toyotaframesettlement.ca).

If you opt out:

- you will not be eligible to receive any compensation or benefits from the settlement or the class action, but
- you will be able to start or continue your own case against the defendant regarding the claims at issue in the action. However, applicable limitation periods or prescription delays will resume running against you. You should therefore consult with an independent lawyer at your cost if you wish to pursue your own claim.

If you do nothing, and so do not opt out:

- you will be eligible to receive compensation or benefits from the class action, but
- you will not be able to start or continue your own case against the defendant regarding the claims at issue in the class action.

This is your only chance to exclude yourself or opt out of this class action. No further right to opt out will be provided.

To properly and timely opt out of the class action, the Opt-Out Form must be filled out and postmarked **no later than October 22, 2018**. Residents of Quebec must also send a copy of their Opt Out Form to the Clerk of the Superior Court of Quebec, postmarked by October 22, 2018.

## LEGAL FEES

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**Class Counsel have requested legal fees, expenses and applicable taxes in the amount of \$775,000 and a total of \$15,000 as awards to the 5 class representatives.** Class Counsel were retained on a contingency basis. Class Counsel were responsible for funding all disbursements incurred in pursuing this litigation. Pursuant to the Settlement Agreement, any fees or disbursements awarded by the Courts, including but not limited to all Notice administration, Claims administration, and related costs will be paid by Toyota. Payment of Class Counsel's fees and awards to the class representatives will require Court approval.

Class Members are not liable for any legal fees incurred to date by Class Counsel. Class Members are not required to retain their own individual lawyers to assist them to receive Settlement benefits, including making individual Claims.

Should Class Members choose to retain their own lawyers, they may do so and will be responsible to pay the legal fees of any lawyer they retain. Any questions about this Settlement, individual claims, or related issues should be directed to the Settlement Notice and Claims Administrator and/or to Class Counsel at the contact information listed below.

## FURTHER INFORMATION

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To obtain a complete copy of the statement of claim, the Settlement Agreement, a Claim Form, an Opt-Out Form or other documents, visit [www.Toyotaframesettlement.ca](http://www.Toyotaframesettlement.ca). You may submit a Claim Form online. To obtain a paper copy of any of the documents other than through the website, **please call the Settlement Notice and Claims Administrator, toll-free, at 1-866-343-1858.**

For further information, please contact Class Counsel as follows:

Canada (except Québec):

Consumer Law Group P.C.

Jeff Orenstein

T. 613-627-4894 – extension 2

Québec Only:

Lex Group Inc.

David Assor

T. 514-451-5500 – extension 321

There will be no further notice from the Administrator about this settlement, unless the settlement is not approved.

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This notice contains a summary of some of the terms of the Settlement Agreement. If there is a conflict between the provisions of this notice and the Settlement Agreement, the terms of the Settlement Agreement shall prevail.

THIS NOTICE HAS BEEN AUTHORIZED BY THE ONTARIO SUPERIOR COURT OF JUSTICE AND THE SUPERIOR COURT OF QUEBEC.