

LONG FORM NOTICE OF SETTLEMENT APPROVAL HEARING

PLEASE READ THIS NOTICE CAREFULLY AS IT MAY AFFECT YOUR RIGHTS

<p>PURPOSE OF THIS NOTICE:</p>	<p>This notice applies to all persons resident in Canada who currently own or lease, or who in the past owned or leased the following Ford vehicle models:</p> <p>Ford Explorers, Model Years 2011-2015 (the “Class Vehicles”);</p> <p>and</p> <p>Ford Edge, Model Years 2011-2013; Lincoln MKX, Model Years 2011-2013 (the Ford Edge and Lincoln MKX vehicle models are referred to as the “Excluded Vehicles”).</p> <p>The purpose of this Notice is to:</p> <p>(a) Inform Settlement Class Members (defined below) of their rights and options in respect of a settlement agreement (the “Settlement Agreement” or the “Settlement”) that resolves the litigation, described below, across Canada and will pay money to Settlement Class Members who submit valid claims; and</p> <p>(b) Inform current and former owners and lessees of the Excluded Vehicles that their claims will be discontinued as part of the Settlement and describe what this discontinuance means for them.</p>
<p>THE LITIGATION:</p>	<p>On October 5, 2015, a proposed class action was initiated in the Ontario Superior Court of Justice (the “Ontario Court”) on behalf of all persons in Canada, except those persons resident in Québec, who purchased or leased one or more Ford Explorers, Model Years 2011-2015; Ford Edge, Model Years 2011-2013; and Lincoln MKX, Model Years 2011-2013. This action is styled <i>Marchand v. Ford Motor Company et al.</i>, Court File No. CV-15-22778 (the “Ontario Action”).</p> <p>On November 28, 2016, a proposed class action was initiated in the Superior Court of Québec (the “Québec Court” and, with the Ontario Court, the “Courts”) on behalf of all persons who reside in Québec who purchased and/or leased one or more Ford Explorers, Model Years 2011-2015. This case is styled <i>Corica v. Ford Motor Company of Canada et al.</i>, No. 500-06-000827-168 (the “Québec Action”).</p> <p>The Ontario and Québec Actions allege that exhaust odour may enter the passenger compartment of the Class Vehicles due to defects (“Exhaust Odour”). Ford denies these allegations.</p> <p>The Courts have not taken any position as to the truth or merits of the claims or defences of the parties.</p>
<p>THE SETTLEMENT CLASS</p>	<p>The Settlement Class Members (or “Settlement Class”) consist of all entities and natural persons in Canada who currently own or lease, or who in the past owned or leased, one or more Ford Explorers, Model Years 2011-2015, that was purchased or leased in any province or territory of Canada.</p>

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	<p>Excluded from the Settlement Class are: (1) Ford’s employees, officers, directors, agents, and representatives, and their family members; (2) presiding judges and Class Counsel; and (3) all those otherwise in the Settlement Class that properly opt out of the Settlement Class in accordance with a future order of the Courts that will be issued if they approve the Settlement.</p>
<p>THE SETTLEMENT BENEFITS</p>	<p>1. Notice of New Technical Service Bulletin (“2016 TSB”).</p> <p>You are hereby notified that Ford has issued the 2016 TSB describing updated procedures to address exhaust odour in the Class Vehicles. The 2016 TSB includes two phases of service: (1) air conditioning system recalibration and sealing of gaps in the passenger compartment (“Phase 1 Service Repair”); and, (2) if an Authorized Ford Dealer determines that phase (1) did not eliminate the Exhaust Odour in Class Vehicles equipped with a normally aspirated 3.5-liter Twin Independent Variable Camshaft Timing (“TiVCT”) engine, additional services may be performed, including installation of a modified exhaust system (“Phase 2 Service Repair”).</p> <p>2. Reimbursement for Post-Warranty Exhaust Odour Repairs.</p> <p>An “Exhaust Odour Repair” refers to any repair by an Authorized Ford Dealer to address Exhaust Odour in the Class Vehicle, including repairs performed under prior Exhaust Odour TSBs, namely TSB 12-12-4 or TSB 14-0130, the 2016 TSB described above, and any future Exhaust Odour TSB.</p> <p>The term “Out-of-Pocket Expenses” below means the documented amount paid by the Settlement Class Member to an Authorized Ford Dealer for the parts and labour required to obtain an Exhaust Odour Repair.</p> <p>Ford will provide one of the following two benefits to Settlement Class Members per Class Vehicle:</p> <p style="padding-left: 40px;"><u>(a) Warranty Repair Owners.</u></p> <p>A Settlement Class Member who, during the New Vehicle Limited Warranty Coverage Period applicable to his or her Class Vehicle <u>and</u> before the publication of this notice, either :</p> <p style="padding-left: 40px;">(1) obtained one or more Exhaust Odour Repairs to his or her Class Vehicle; or</p> <p style="padding-left: 40px;">(2) was denied an Exhaust Odour Repair after an Authorized Ford Dealer diagnosed an Exhaust Odour in his or her Class Vehicle</p> <p>is a “Warranty Repair Owner” under the Settlement.</p> <p>A Warranty Repair Owner who incurs Out-of-Pocket Expenses obtaining a Phase 1 Service Repair to that same Class Vehicle <u>the later of</u>:</p> <p style="padding-left: 40px;">(1) 4 years/85,000 kilometres after his or her Class Vehicle was placed in service (whichever comes first); and</p> <p style="padding-left: 40px;">(2) 60 days after the Effective Date of the Settlement;</p>

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will receive, after submitting a valid claim, reimbursement from Ford of such Out-of-Pocket Expenses up to **\$230** per repair, per Class Vehicle.

If the Warranty Repair Owner also incurs Out-of-Pocket Expenses obtaining a Phase 2 Service Repair to that same Class Vehicle, he or she will receive, after submitting a valid claim, reimbursement from Ford of such Out-of-Pocket Expenses for a maximum of one Phase 2 Service repair up to **\$655**, per Class Vehicle.

A Warranty Repair Owner may submit Claims for up to two qualifying Exhaust Odour Repairs per Class Vehicle under this Section.

Therefore a Warranty Repair Owner who receives a Phase 1 Service Repair and a Phase 2 Service Repair and who submits a valid claim is entitled to reimbursement from Ford of up to **\$885** per Class Vehicle.

(b) No-Warranty Repair Owners.

A Settlement Class Member who did not, before publication of this notice, either:

- (1) obtain an Exhaust Odour Repair during the New Vehicle Limited Warranty Coverage Period applicable to his or her Class Vehicle; **or**
- (2) obtain a documented diagnosis of an Exhaust Odour from an Authorized Ford Dealer during the New Vehicle Limited Warranty Coverage Period applicable to his or her Class Vehicle;

is a "No-Warranty Repair Owner" under the Settlement.

If A No-Warranty Repair Owner has incurred or incurs Out-of-Pocket Expenses for an Exhaust Odour TSB Repair within the later of:

- (1) 60 days after the expiration of the New Vehicle Limited Warranty Coverage Period applicable to his or her Class Vehicle; and
- (2) 60 days after the Effective Date;

will receive, after submitting a valid claim, reimbursement from Ford of such Out-of-Pocket Expenses up to a maximum of \$230 per repair, per Class Vehicle.

A No-Warranty Repair Owner may submit Claims for up to two qualifying Exhaust Odour Repairs per Class Vehicle under this provision.

Therefore a No-Warranty Repair Owner who receives two or more Exhaust Odour Repairs and who submits a valid claim is entitled to reimbursement from Ford of up to **\$460** per Class Vehicle.

3. Inability to Repair Remedy.

Subject to the eligibility requirements below, a Settlement Class Member who receives an Exhaust Odour Repair to his or her Class Vehicle that fails to resolve the presence of Exhaust Odour in that Class Vehicle may submit for mediation, followed by (if necessary) binding arbitration to CAMVAP, a

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	<p>claim for breach of Ford's New Vehicle Limited Warranty or any applicable Ford Extended Warranty. The claim may include, among other relief, damages for any Out-of-Pocket Expenses that he or she incurred for the unsuccessful Exhaust Odour Repairs.</p> <p>To be eligible to participate in CAMVAP, the Settlement Class Member must meet the following eligibility requirements:</p> <ul style="list-style-type: none"> (1) his or her Class Vehicle must have received an Exhaust Odour Repair during the New Vehicle Limited Warranty Coverage Period or during the pendency of any Ford Extended Warranty applicable to his or her Class Vehicle; (2) he or she must have given the Authorized Ford Dealer a second opportunity to perform the Exhaust Odour Repair; (3) after the second attempted Exhaust Odour Repair by the Authorized Dealer, the Class Vehicle must still be experiencing the Exhaust Odour and (4) the Settlement Class Member must submit his or her claim to CAMVAP no later than six months after the Authorized Dealer made its second attempt to repair the Exhaust Odour in the Class Vehicle. <p>For the purpose of any such arbitration claim by a Settlement Class Member under this provision, Ford waives the following defences:</p> <ul style="list-style-type: none"> (1) that the Exhaust Odour is allegedly caused by a design defect; and (2) that the statute of limitations for such claims expired before the end of the extended period for obtaining partially subsidized post warranty Exhaust Odour Repairs established under this Settlement (i.e. 4 years/ 85,000 kilometres; 60 days after Effective Date of Settlement; 60 days after expiration of the New Vehicle Warranty Coverage Period). Ford preserves all other applicable defences to such claims. <p>Arbitration determinations through CAMVAP will be final and binding on participating Settlement Class Members and Ford, with no right of appeal or further litigation</p> <p>Further details regarding the Settlement Agreement may be viewed at www.fordexplorersettlement.com (in English), www.reglementfordexplorer.com, or by contacting Class Counsel as listed below.</p>
<p>RELEASE OF SETTLEMENT CLASS MEMBERS' CLAIMS</p>	<p>In exchange for the Settlement benefits, the Actions will be dismissed and the Settlement Class Members will release all claims (except personal injury claims) against Ford and its suppliers based on the exhaust odour issues that are the subject of this action.</p>
<p>DISCONTINUANCE OF THE FORD EDGE AND LINCOLN MKX CLAIMS</p>	<p>The Settlement does not include current and former owners and lessees of the Excluded Vehicles. Their claims will be discontinued without prejudice to their rights to commence new proceedings to advance claims in relation to the Excluded Vehicles.</p>

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	<p>certificate or bill of sale or, in the case of a lessee, a copy of the lease agreement);</p> <ul style="list-style-type: none"> • copies of any papers, briefs, or other documents upon which your objection is based; and • stating whether you intend to appear in person or by counsel at the the settlement approval hearing in Windsor, Ontario or in Montréal, Québec, and if appearing by counsel, the name, address, telephone number and e-mail address of your counsel. <p>Class Counsel will provide any such submissions received by the Settlement Administrator to the Ontario and Québec Courts. If you support the Settlement, you do not have to do anything at this time and further notice will be distributed following the settlement approval hearing. This further notice will contain details of the procedure to be followed by Settlement Class Members who wish to make claims for benefits or who wish to exclude themselves (or “opt-out”) from the Settlement.</p> <p>Should the Settlement Agreement receive approval from the Courts, further notices will be mailed to known Settlement Class Members and published in various newspapers and at the following websites:</p> <ul style="list-style-type: none"> • www.FordExplorerSettlement.com (in English); • www.ReglementFordExplorer.com (in French); and • www.investigationcounsel.com (in both English and French). <p>Copies of the notices may also be obtained by contacting Class Counsel as listed below.</p>
<p>LEGAL FEES</p>	<p>As part of the Settlement, Ford has agreed to pay Class Counsel’s reasonable lawyers’ fees and expenses, in an amount to be negotiated and agreed upon separately or, if not agreement is reached, as ordered by the Courts. Payment of Class Counsel’s fees will require Court approval.</p>
<p>FURTHER INFORMATION</p>	<p>For further information please contact class counsel as follows:</p> <p>OWNERS AND LESSEES IN CANADA EXCEPT QUÉBEC: John Archibald Investigation Counsel P.C. 350 Bay Street, Suite 300 Toronto ON M5H 2S6 416-637-3150 / fordexplorersettlement@investigationcounsel.com</p> <p>QUÉBEC AND FRENCH INQUIRIES: Samy Elnemr Siskinds Desmeules Les Promenades du Vieux-Québec 43, rue Buade, Suite 320 Québec QC G1R 4A2 (418) 694-2009 / siskindsmontreal@siskindsdesmeules.com</p>

THIS NOTICE IS ONLY A SUMMARY OF SOME OF THE TERMS OF THE SETTLEMENT
IF THERE IS A CONFLICT BETWEEN THIS NOTICE AND THE SETTLEMENT, THE SETTLEMENT APPLIES

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**Publication of this notice has been authorized by the
Ontario Superior Court of Justice and the Superior Court of Québec.**