

If you ever owned or leased a truck, bus or other vehicle with certain Caterpillar engines, you may be entitled to a payment from a class action settlement.

Pour lire cet avis en français: www.EngineSettlement.ca

- An \$8 million Settlement has been reached in class action lawsuits in Canada about whether Caterpillar Inc. and Caterpillar of Canada Corp. (“Caterpillar”) brand EPA 2007 Compliant C13 and C15 diesel engines with Advanced Emissions Combustion Reduction Technology (“ACERT”) manufactured in 2005, 2006, 2007, 2008 and 2009, including Caterpillar Regeneration System (“CRS”) [“Subject Engines” or “Engines”], failed to work reliably, causing them to lose horsepower and shut down, requiring Caterpillar-authorized dealer technicians to repair the Engines, which they allegedly could not effectively do. Caterpillar denies the allegations in the lawsuit, and a Court has not decided who is right.
- The Settlement offers payments to original purchasers or original lessees, subsequent purchasers or subsequent lessees of vehicles with the Subject Engines. Class Actions have been authorized and certified respectively in Quebec (for Quebec residents) and in Ontario (for residents of the rest of Canada). If you are a Class member, you must file a claim in order to receive a payment.
- **Your legal rights may be affected whether you do or do not act. Please read this notice carefully.**

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
SUBMIT A CLAIM FORM	Submit a Claim Form seeking cash payment.
EXCLUDE YOURSELF	Request to be excluded and get no benefits from the Settlement. This is the only option that allows you to start or continue your own lawsuit against Caterpillar for the claims at issue in the Settlement.
OBJECT	Write to the Settlement Administrator and the Parties about why you do not like the Settlement.
GO TO A HEARING	Ask to speak in Court about the fairness of the Settlement.
DO NOTHING	Get no benefits. Give up any rights you might have to sue Caterpillar about the claims resolved by the Settlement.

- These rights and options—and the deadlines to exercise them—are explained in this notice.
- The Courts in charge of the Ontario and Quebec lawsuits still have to decide whether to approve the Settlement. If they do, and after any appeals are resolved, benefits will be distributed to those who submit a qualifying Claim Form. Please be patient.

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BASIC INFORMATION

1. Why is there a notice?

The Ontario and Quebec Courts authorized this notice because you have a right to know about the proposed Settlement of class action lawsuits in Canada identified below by their court names and file numbers, and about all of your options before the Courts decide whether to approve to the Settlement: in Ontario *Pabla v. Caterpillar of Canada Corporation and Caterpillar, Inc.*, Ottawa Court File No. 14-60168CP; and in Quebec 9157-5863 *Quebec Inc. v. Caterpillar of Canada Corporation and Caterpillar, Inc.*, District of Montreal, Court File No. 500-06-000681-144.

The people who sued are called the “Plaintiffs”. Caterpillar Inc. and Caterpillar of Canada Corporation (“Caterpillar”) are the “Defendants”. This notice explains the lawsuits, the Settlement, and your legal rights.

2. What is this litigation about?

The lawsuits allege that Caterpillar’s exhaust emission control system, known as the Caterpillar Regeneration System (“CRS”), failed to work reliably, causing its EPA 2007 Compliant C13 and C15 diesel engines with Advanced Combustion Emissions Reduction Technology (“ACERT”) manufactured in 2005, 2006, 2007, 2008 and 2009 including the CRS components incorporated therewith (“Subject Engines”) to derate (lose horsepower) and shut down, requiring Caterpillar- authorized, dealer technicians, to repair the Subject Engines, which they allegedly could not effectively do. The lawsuits allege that the CRS failed to operate under all conditions and all applications on a consistent and reliable basis even after repeated CRS warranty repairs and replacements. Allegedly, these repeated warranty repairs and replacements failed to correct the CRS issues, resulting in damages to the owners and lessees of vehicles with the Subject Engines. The alleged damages included diminished value of the vehicles powered by the Subject Engines, out-of-pocket costs such as repair invoices, towing costs, vehicle rental costs and related hotel/taxi charges. Among other claims, the lawsuits allege causes of action for breach of express warranty, negligence, and misrepresentation.

Caterpillar strongly denies all of Plaintiffs’ claims, denies all allegations of wrongdoing, fault, liability, or damage of any kind to Plaintiffs or the Class/Settlement Class, denies that they acted improperly or wrongfully in any way, and believes that this litigation is without merit.

The Plaintiffs’ Ontario Statement of Claim and Quebec Motion to Authorize a Class Proceeding respectively are posted on the website, www.EngineSettlement.ca. The Settlement resolves the lawsuits. The Courts have not decided who is right.

3. Why is this a class action?

In a class action, one or more people called “Class Representatives” sue on behalf of themselves and other people with similar claims. Together, all the people with similar claims (except those who exclude themselves) are members of a “Class” and, where a Court has certified/authorized a class action for settlement purposes only, as is the case here, a “Settlement Class”.

4. Why is there a Settlement?

The Courts have not decided in favor of the Plaintiffs or Defendants. Instead, both sides have agreed to the Settlement. By agreeing to the Settlement, the Parties avoid the costs and uncertainty of a trial, and if the Settlement is approved by the Courts, Settlement Class Members will receive the benefits described in this notice. The proposed Settlement does not mean that any law was broken or that Caterpillar did anything wrong. Caterpillar denies all legal claims in this case. Plaintiffs and their lawyers think the proposed Settlement is best for everyone who is affected.

WHO IS PART OF THE SETTLEMENT?

5. Who is included in the Settlement?

The Settlement includes all persons or entities in Canada who are original purchasers or original lessees, subsequent purchasers, or subsequent lessees, (including but not limited to those having some rights to residual purchase of vehicles at lease end) of a vehicle powered by a Subject Engine. The Parties agree to certification and authorization of the Ontario and Quebec Class Actions respectively for purposes of the Settlement Agreement only.

Excluded from the Class are Defendants, all present or former affiliates and/or directors of Defendants, all persons who have already released claims against Defendants for the relief provided herein, and all persons who will make a timely and valid election to be excluded from the Class in accordance with the provisions of the Notice. Settlement Class does not include persons or entities that have previously executed settlement releases concerning the Subject Engines. Such persons or entities that have previously executed settlement releases are specifically excluded from the Class.

6. What is a “Subject Engine”, a “CRS” and a “CRS Related Repair”?

“Subject Engines” are defined as Caterpillar EPA 2007 Compliant C13 and C15 diesel engines with ACERT manufactured in 2005, 2006, 2007, 2008 and 2009 including the CRS components of the engines. Visit the website www.EngineSettlement.ca for complete descriptions and photographs of the Subject Engines, explanations on how to identify them and the types of vehicles that included them.

“CRS” stands for “Caterpillar Regeneration System” and describes certain emission reduction components of the Subject Engines. The parts that make up the CRS are described at www.EngineSettlement.ca and also are listed in Attachment A to the Settlement Agreement.

A “CRS Related Repair” means a repair or replacement of any Caterpillar Regeneration System related part or component (an ARD Head, for example) as indicated by the 45 DT and F code combinations reflected in Attachment A to the Settlement Agreement. Repairs or replacement made due to a Caterpillar Service Letter performed pro-actively shall not be considered as a CRS Related Repair. The CRS Related Repair can have occurred at any time during your ownership or lease of a vehicle with the Subject Engine. If you have any questions about how to determine the number of CRS Related Repairs, see Question 7 below.

7. What if I am not sure whether I am included in the Settlement?

If you are not sure whether you are in the Settlement Class or have any other questions about the Settlement, visit the Settlement Website at www.EngineSettlement.ca or call the toll-free number, **1-855-659-2900**. You also may send your questions to the Settlement Administrator at info@EngineSettlement.ca.

THE SETTLEMENT BENEFITS

8. What does the Settlement provide?

The Settlement establishes an \$8 million Settlement Fund for the benefit of the Class. All Class members who submit an Approved Claim (one deemed by the Settlement Administrator to be on time, accurate, and complete) will be eligible to receive a pro rata share of the Net Settlement Fund (after deducting lawyers' fees and expenses and certain other items mentioned below) according to the following guidelines:

- A. Class Members whose engines experienced no CRS Related Repairs are eligible to receive (but not guaranteed), \$500, for each Subject Engine, but no more under any circumstance.
- B. Class Members whose engines experienced one to five qualified CRS Related Repairs performed on or before the Execution Date are eligible to receive (but not guaranteed) an initial amount of \$5,000, up to a maximum of \$15,000 per Subject Engine.
- C. Class Members whose engines experienced six or more qualified CRS Related Repairs performed on or before the Execution Date are eligible to receive (but not guaranteed) an initial amount of \$10,000, up to a maximum of \$30,000 per Subject Engine (the amount ultimately distributed under this option will be twice the amount distributed under option B).

Payments to eligible claimants may be adjusted pro rata (up, but not higher than the maximums described above, or down) depending on the number of Approved Claims filed, the number of Engines included in those claims, and the total amount of the Net Settlement Fund available to pay claims. No money will be returned to the Defendants; any excess money will be donated to charity.

9. How do I file a claim?

In order to receive a cash payment, you will need to complete and submit a valid Claim Form. If you received this Notice in the mail, a Claim Form was included. You may also download a pdf of the Claim Form from the website. Claim Forms must be postmarked or submitted electronically before the deadline that will be published on the website after the Settlement is approved, but will not be earlier than **May 18, 2022** and sent to:

Caterpillar Engine Settlement
c/o Settlement Administrator
5-112 Elizabeth Street, Suite 289
Toronto, ON M5G 1P5
1-855-659-2900
info@EngineSettlement.ca

Please read the Claim Form carefully, follow all of the instructions and provide all the information required. **You may file a Claim for each Subject Engine in vehicles you owned or leased.** If you have questions about how to file your claim that cannot be answered by this notice or by reviewing the information at the Settlement Website, you may call the Settlement Administrator at 1-855-659-2900.

10. When will I receive my payment?

Payments to Class Members who file Approved Claims will be made only after the Courts approve the Settlement and after any appeals are resolved (*see* “The Courts Approval Hearings” below), and after **May 18, 2022**. If there are appeals, resolving them can take time. Please be patient.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you do not want benefits from the Settlement, and you want to keep any right you might have to sue Caterpillar about the issues in this case, then you must take steps to get out of the Class Actions. This is called excluding yourself or “opting out” of the Class Actions, in which case you will not be a member of the Settlement Class.

11. How do I get out of the Settlement?

To exclude yourself from the Class Actions, you must send a written Request for Exclusion/Opt-Out by prepaid first-class mail to the following address:

Caterpillar Engine Settlement
ATTN: EXCLUSION REQUEST
5-112 Elizabeth Street, Suite 289
Toronto, ON M5G 1P5

In addition, Class members who want to opt out and who are residents of Quebec must also give notice to the Clerk of the Superior Court of Quebec at the following address:

Registry (Greffé) of the Superior Court of Québec
Palais de Justice of Montreal
1, Notre-Dame East, Suite 1.120
Montréal (Québec) H2Y 1B6
Court File No.: 500-06-000681-144

Your request for exclusion request must be postmarked by no later than **January 3, 2022**. You cannot ask to be excluded over the phone, by email, or on the website. A downloadable Opt-Out Form is available on the Settlement Website at www.EngineSettlement.ca.

12. If I do not exclude myself, can I sue the Defendants for the same thing later?

No. Unless you exclude yourself, you give up any right you might have to sue Caterpillar for legal claims that the Settlement resolves. You must exclude yourself from the Settlement Class in order to try to maintain your own lawsuit. If you start your own lawsuit, you will have to hire your own lawyer, and you will have to prove your claims. Class members who are residents of Quebec, must discontinue their individual case(s) by no later **January 3, 2022**, or they will be deemed to have opted out of the Class Action and are not eligible to receive any Settlement Benefits.

13. What am I giving up by staying in the Settlement Class?

Unless you exclude yourself from the Class Actions, you cannot sue or be part of any other lawsuit against the Defendants about the issues in this case, including any existing litigation, arbitration, or

proceeding, to the extent permitted by law. Unless you exclude yourself, all of the decisions and judgments by the Courts will bind you. If you file a Claim Form for benefits or do nothing at all, you will be releasing Caterpillar from all of the claims described and identified in Section 12.

The Settlement Agreement is available at www.EngineSettlement.ca. The Settlement Agreement provides more detail regarding the release and describes the released claims with specific descriptions in necessary, accurate legal terminology, so read it carefully. You can talk to the law firm representing the Class listed below in Question 17 for free, or you can, at your own expense, talk to your own lawyer if you have any questions about the released claims or what they mean.

14. If I exclude myself, can I still get a payment?

No. You will not get a payment from the Settlement Fund if you exclude yourself from the Settlement.

THE LAWYERS REPRESENTING YOU

15. Do I have a lawyer in the case?

The Courts have appointed the following lawyers as “Class Counsel” to represent all members of the Settlement Class: Consumer Law Group P.C. / Consumer Law Group Inc.

You will not be charged for these lawyers. If you want to be represented by another lawyer, you may hire one to appear in Court for you at your own expense.

16. How will the lawyers be paid?

Class Counsel intend to request thirty percent (30%) of the value of the Settlement Fund for lawyers’ fees and costs, plus applicable taxes. A Court will decide the amount of fees and expenses to award.

Class Counsel also will request that Service Awards of \$20,000 be paid from the Settlement Fund to the Class Representatives for their service as representatives on behalf of the whole Settlement Class.

OBJECTING TO THE SETTLEMENT

17. How do I tell the Courts that I do not like the Settlement?

If you are a Settlement Class Member (and do not exclude yourself from the Class Actions), you can object to any part of the Settlement. To object, you must send (by prepaid first-class mail) a written objection to the Settlement Administrator, with copies to counsel for the Parties, that includes the following:

- A caption that includes the name of the Class Action in which you wish to object and the case number (see Question 1 above);
- Your name, address, telephone number, email address and signature;
- The approximate date(s) of your purchase or lease (having some rights to residual purchase of vehicles at lease end) of a vehicle powered by a Subject Engine and the serial number for the Subject Engine(s);
- The make, model and VIN number of the vehicle(s) containing the Subject Engine(s);

- The name, address, bar number and telephone number of your lawyer, if represented by a lawyer;
- A statement whether you intend to appear at a Settlement Approval Hearing, either in person or through counsel;
- A detailed statement of the specific legal and factual basis for each and every objection; and
- A detailed description of any and all evidence you may offer at the Settlement Approval Hearing and attaching copies of any and all exhibits that you may introduce at the Settlement Approval Hearing.

You must file your objection with one of the Courts by **January 12, 2022**. You must also send your objection to the Settlement Administrator, Class Counsel, and counsel for Defendants, such that it is received no later than **January 12, 2022**. The addresses are listed below.

CLASS COUNSEL	SETTLEMENT ADMINISTRATOR	DEFENDANTS' COUNSEL
<p>Jeff Orenstein Consumer Law Group P.C. 251 Laurier Ave. W., Suite 900 Ottawa, ON K19 5J6</p> <p>Andrea Grass Consumer Law Group Inc. 1030 rue Berri, Suite 102 Montréal, QC H2L 4C3</p>	<p>Caterpillar Engine Settlement ATTN: OBJECTIONS 5-112 Elizabeth Street Suite 289 Toronto, ON M5G 1P5</p>	<p>S. Gordon McKee Blake, Cassels & Graydon LLP 199 Bay Street, Suite 4000 Toronto, ON M5L 1A9</p> <p>Francis Rouleau Blake, Cassels & Graydon LLP 1 Place Ville Marie #3000 Montréal, QC H3B 4N8</p>

COURT ADDRESSES	
<p>Ontario Superior Court of Justice Civil Division, Clerk's Office 161 Elgin Street Ottawa, ON K2P 2K1</p>	<p>Superior Court of Quebec Civil Division, Clerk's Office 1 Notre-Dame Street East Montreal, QC H2Y 1B6</p>

18. What is the difference between objecting and asking to be excluded?

Objecting is simply telling the Court that you do not like something about the Settlement. You can object to the Settlement only if you do not exclude yourself. Excluding yourself is telling the Court that you do not want to be part of the Settlement. If you exclude yourself, you have no basis to object to the Settlement because it no longer affects you.

THE COURTS APPROVAL HEARINGS

The Ontario and Quebec Courts will hold hearings to decide whether to approve the Settlement and any requests for fees and expenses (“Settlement Approval Hearings”).

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

The Ontario Court has scheduled a Settlement Approval Hearing on **January 31, 2022 at 10:00 a.m.** The Quebec Court has scheduled a Settlement Approval Hearing on **January 27, 2022 at 9:30 a.m.** The Courts’ addresses are listed in Question 17 above. A hearing may be moved to a different date or time without additional notice, so it is a good idea to check www.EngineSettlement.ca for updates. At these hearings, the Courts will consider whether the Settlement is fair, reasonable, and adequate. The Ontario Court will also consider the request by Class Counsel for lawyers’ fees and expenses and for the Service Award to the Class Representative. It is unknown how long it will take for the Courts to render their decisions.

20. Do I have to attend the hearing?

No. Class Counsel will answer any questions the Courts may have. But you are welcome to attend a hearing at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you submitted your written objection on time, to the proper addresses, and it complies with the other requirements set forth above, the Courts will consider it. You also may pay your own lawyer to attend a hearing, but it is not necessary.

21. May I speak at the hearing?

You may ask one of the Courts for permission to speak at a Settlement Approval Hearing. Any Class member who wishes to appear at a Settlement Approval Hearing must file with the applicable Court a “Notice of Intention to Appear,” which must be received no later than 10 days before the Settlement Approval Hearing at which you intend to appear. The Notice of Intention to Appear must include copies of any papers, exhibits or other evidence that the objecting Class Member or counsel for the objecting Class Member will present to the Court at the Settlement Approval Hearing, unless already attached to a filed Notice of Objection. Only a Class Member who files a Notice of Intention to Appear may appear in person or by counsel and be heard to the extent permitted under applicable law and allowed by the Court, in opposition to the fairness, reasonableness and adequacy of the Settlement, and on Class Counsel’s application for an award of lawyers’ fees and costs. The addresses for the Courts are listed in Question 17 above.

You cannot ask to speak at the hearing if you exclude yourself from the Settlement.

IF YOU DO NOTHING

22. What happens if I do nothing at all?

If you are a Class Member and do nothing, you will not get benefits from the Settlement. And, unless you exclude yourself, you will be bound by the judgment entered by the Courts. This means you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit or proceeding against Caterpillar about the statements and claims at issue in this case, to the extent permitted by law.

GETTING MORE INFORMATION

23. How do I get more information?

This notice summarizes the proposed Settlement. More details are in the Settlement Agreement. For a complete, definitive statement of the Settlement terms, refer to the Settlement Agreement at www.EngineSettlement.ca. You may also contact the Settlement Administrator by writing to Caterpillar Engine Settlement, c/o Settlement Administrator, 5-112 Elizabeth Street, Suite 289, Toronto, ON M5G 1P5, alternatively, you can send your inquiry by email to info@EngineSettlement.ca, or call **1-855-659-2900** toll-free.