

Court	File No.		

ONTARIO SUPERIOR COURT OF JUSTICE

BETWEEN:



Plaintiff

and

FORD MOTOR COMPANY and FORD MOTOR COMPANY OF CANADA, LIMITED

Defendants

Proceeding under the Class Proceedings Act, 1992

NOTICE OF ACTION

TO THE DEFENDANTS:

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the plaintiffs. The claim made against you is set out in the statement of claim served with this notice of action.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or an Ontario lawyer acting for you must prepare a statement of defence in Form 18A prescribed by the Rules of Civil Procedure, serve it on the plaintiff's lawyer or, where the plaintiff does not have a lawyer, serve it on the plaintiff, and file it, with proof of service, in this court office, WITHIN TWENTY DAYS after this notice of action is served on you, if you are served in Ontario.

If you are served in another province or territory of Canada or in the United States of America, the period for serving and filing your statement of defence is forty days. If you are served outside Canada and the United States of America, the period is sixty days.

Instead of serving and filing a statement of defence, you may serve and file a notice of intent to defend in Form 18B prescribed by the Rules of Civil Procedure. This will entitle you to ten more days within which to serve and file your statement of defence.

IF YOU FAIL TO DEFEND THIS PROCEEDING, JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO DEFEND THIS PROCEEDING BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Electronically issued / Délivré par voie électronique : 06-May-2025 Toronto Superior Court of Justice / Cour supérieure de justice Court File No./N° du dossier du greffe : CV-25-00742862-00CP

Date: May 6, 2025

Issued By:

Address of Court Office:

393 University Avenue, 10th Floor

Toronto, ON M5G 1E6

CANADA

TO:

Ford Motor Company

One American Road Dearborn, Michigan

USA

AND TO:

Ford Motor Company of Canada, Limited

1 The Canadian Road Oakville, ON L6J 5E4

OVERVIEW

1. Ford Motor Company ("Ford") and Ford Motor Company of Canada, Limited ("Ford Canada") designed and manufactured two plug-in hybrid electric vehicles ("PHEVs") known as the Ford Escape and Lincoln Corsair. PHEVs have both an internal combustion engine and electric motors. Like prior hybrids they can charge their electric batteries by using friction from braking or excess power from the internal combustion engine. PHEVs are referred to as 'plug-in' because they can also charge their batteries when plugged into an electric socket. This allows them to run for longer periods on purely electric power.

2. In January 2025, Ford and Ford Canada issued a notice to owners of Ford Escapes and Lincoln Corsairs for model years 2020-2024 warning them not to plug in their vehicles to charge them as micro cracks in the lithium-ion batteries could cause the vehicle to catch fire. Ford and Ford Canada assured customers it was working on the parts and software necessary to repair the defective battery. To date, Ford has not replaced the batteries contrary to its warranty obligations and duty to repair manufacturing defects.

- 3. Class members purchased or leased their PHEVs because of assurances that by plugging them in at night, they could run their vehicle on electric power for much of their day-to-day errands, saving money and wear on their internal combustion engines and being better for the environment. They paid more for their PHEVs for the promise that they would save money in the long run.
- 4. Now, class members have lost the benefits they were promised. They are forced to spend more on gas and service /repairs for the combustion engine or risk a fire that could burn down their house or worse.
- 5. The plaintiff brings this action on behalf of all persons residing in Canada who purchased or leased a PHEV Ford Escape or Lincoln Corsair for model years 2020-2024 (the "class members").

RELIEF SOUGHT

- 6. The plaintiff, on her own behalf and on behalf of the class members, claims:
 - (a) an order certifying this proceeding as a national class proceeding and appointing the plaintiff as the representative plaintiff for the class;
 - (b) a declaration that Ford Canada breached express and implied warranties in relation to the fitness of the class vehicles.
 - (c) a declaration that the defendants are liable for negligence in respect of the class members in the common law provinces and civil liability in respect of the class members in Quebec;
 - (d) a declaration that the defendants are liable to class members in all provinces with the exception of Nova Scotia and New Brunswick for a breach of the applicable consumer protection legislation

- (e) a declaration that the defendants engaged in a policy or practice of manufacturing, distributing, marketing and authorizing its dealer network to sell the class vehicles while being aware of the existence of the defects with the batteries;
- (f) a declaration that the defendants are liable to the Quebec class members for a breach of Article 1726 and 1730 of the Civil Code of Quebec, CQLR c C-1991;
- (g) damages equivalent to the diminished resale value of the vehicles and/or the amount class members overpaid for the class vehicles on purchase or through excessive lease and loan payments;
- (h) damages for costs incurred operating the class vehicles without a plug in capacity;
- (i) punitive damages;
- (j) costs of administering the plan of distribution of the recovery of this action in such an amount as this Honourable Court finds appropriate;
- (k) an Order directing a reference or giving such other directions as may be necessary to determine issues not determined at the trial of the common issues;
- (l) pre-judgment interest and post-judgment interest, compounded, or pursuant to section 128 of the CJA;
- (m)costs of this action or in the alternative on a substantial indemnity basis, or in the further alternative, in an amount that provides full indemnity, plus applicable taxes; and
- (n) such further and other relief as this Honourable Court deems just.

THE PARTIES

Plaintiff

- 7. The plaintiff, lives and works in downtown Toronto. She and her husband decided to buy a PHEV because it would save them money on gasoline and car repairs. They calculated that by plugging in the vehicle overnight, they could do most of their day-to-day driving using the electric batteries rather than the internal combustion engine.
- 8. In April 2024, they purchased a used 2021 Ford Escape from for just under \$35,000. They found that it worked very well for their daily routine in general, they were able to charge it overnight and run the car on the electric motor for 99% of the day-to-day commuting and work they did.
- 9. On or about February 14, 2025, they received a letter entitled "Important Safety Recall" (the "Recall") from Ford warning them that their "vehicle may contain a safety defect that could affect the safety of a person". It went on to say that "a manufacturing defect in one or more of your vehicle's high voltage battery cells may cause the cell to develop an internal short circuit" and warning them of the potential of a battery fire.
- 10. The Recall warned them that "You should immediately refrain from charging your vehicle to maintain a lower charge level in the high voltage battery, reducing the risk of a fire until a remedy is available." They immediately stopped charging their vehicle overnight. Unfortunately, this means that they can no longer run their day-to-day errands using the electric motor. Instead, although they can do some small things (like parking or driving at slow speeds) on the electricity generated from the 'hybrid' engine, they must run the majority of their day-to-day driving with the internal combustion engine.

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11. As a result, they are incurring additional cost for gasoline (and wear and tear on the engine) because they cannot charge the vehicle overnight. Although Ford has promised that a repair will come in the second quarter of 2025, nothing has been provided yet. Meanwhile, is stuck with a 'plug-in' vehicle that she cannot plug in.

Date: May 6, 2025 CHARNEY LAWYERS PC

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Lawyers for the plaintiff

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		NOTICE OF ACTION	
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