

Electronically issued
Délivré par voie électronique : 06-May-2021

Court File No.:

# ONTARIO SUPERIOR COURT OF JUSTICE

#### WILLIAM KENNEDY

**Plaintiff** 

and

## FORD MOTOR COMPANY and FORD MOTOR COMPANY OF CANADA, LTD

Defendants

Proceeding under the Class Proceedings Act, 1992

#### STATEMENT OF CLAIM

#### TO THE DEFENDANTS

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the plaintiff. The claim made against you is set out in the following pages.

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 statement of claim 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.

Issued by Date May 6, 2021

Local registrar

court office

**London Court House** Address of 80 Dundas Street London ON N6A 6K1

TO: FORD MOTOR COMPANY

**One American Road** 

Dearborn, Michigan 48126, USA

FORD MOTOR COMPANY OF CANADA, LTD. **AND TO:** 

> 1 The Canadian Road Oakville, Ontario L6J 5E4

- ر -

#### **CLAIM**

- 1. The Plaintiff, on his own behalf and on behalf of all Class Members, seeks:
  - (a) an order certifying this action as a class proceeding and appointing the Plaintiff as the representative plaintiff of the proposed national class pursuant to the *Class Proceedings Act*, 1992, S.O. 1992, c. 6;
  - (b) general damages and special damages assessed individually or in the aggregate in the amount of \$50,000,000;
  - (c) punitive and/or aggravated damages in the amount of \$15,000,000;
  - (d) a reference to decide any issues not decided at the trial of the common issues;
  - (e) costs of administration and notice, plus applicable taxes, pursuant to section 26(9) of the *Class Proceedings Act*, 1992, S.O. 1992, c. 6;
  - (f) costs of this action pursuant to the *Class Proceedings Act, 1992*, S.O. 1992, c. 6, the *Courts of Justice Act*, R.S.O. 1990, c. C.43, and the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194;
  - (g) prejudgment interest and post judgment interest pursuant to the *Courts of Justice*Act, R.S.O. 1990, c. C.43; and
  - (h) such further and other relief as to this Honourable Court seems just.

## THE PARTIES

#### The Plaintiff

2. The Plaintiff, William Kennedy, is a resident of St. John's, Newfoundland and Labrador.

- <del>-</del> -

- 3. In or around April 2018, the Plaintiff purchased a 2018 Ford F-150 XLT Sport from Cabot Ford Lincoln, an authorized Ford dealer in St. John's, Newfoundland and Labrador.
- 4. The Plaintiff's vehicle began having problems within a year after it was purchased. He began to notice that the vehicle was consuming oil at an abnormally high rate. In or around April 2019, the Plaintiff brought the vehicle to Cabot Ford Lincoln for inspection regarding this issue.
- 5. The technicians at Cabot Ford Lincoln informed the Plaintiff that there was a problem with the positive crankcase ventilation (the "PCV") valve. The Cabot Ford Lincoln technicians replaced the PCV valve and assured the Plaintiff that this would bring the oil consumption within satisfactory parameters.
- 6. The Plaintiff was instructed to check the oil level every 320 km or weekly to monitor whether the replacement PCV valve corrected the abnormal oil consumption. Following this, the Plaintiff regularly checked the vehicle's oil consumption and found it continued to consume oil at an abnormally high rate.
- 7. In or around March 2021, the Plaintiff took the vehicle to a private licensed mechanic for an oil change. This mechanic informed him that the oil was so low that was no oil on the dipstick.
- 8. The Plaintiff has regularly taken the vehicle in for maintenance and does not use the vehicle an excessive amount. The vehicle has only been driven approximately 50,000 kilometers since it was purchased in 2018.

- ر -

9. The Plaintiff was not aware of the oil consumption defect at the time of purchase of the vehicle. Had the Plaintiff been aware of the oil consumption defect, he would have not have purchased the vehicle.

## The Class

10. The Plaintiff seeks to represent the following class (the "Class") of which the Plaintiff is a Class Member:

All persons resident in Canada who purchased or leased a model years 2018-2020 Ford F-150 vehicle equipped with the 5.0L Ti-VCT V8 "Coyote" Engine (the "Class Vehicles").

11. The Plaintiff does not have information to calculate the total number of Class Members.

However, such information is known to the Defendants.

## The Defendants

- 12. The Defendant, Ford Motor Company, is a corporation incorporated under the laws of the state of Delaware in the United States of America with its head office located in Dearborn, Michigan. Ford Motor Company carries on business in Canada through its wholly owned subsidiary, Ford Motor Company of Canada, Ltd.
- 13. The Defendant, Ford Motor Company of Canada Ltd., is a corporation incorporated under the laws of the province of Ontario with its head office located in Oakville, Ontario.
- 14. The Defendants, Ford Motor Company and Ford Motor Company of Canada Ltd., (collectively "Ford" or the "Defendants") are automobile design, manufacturing,

distribution, and/or servicing corporations which carry on business in the United States and Canada. The business of each of the Defendants is inextricably interwoven with that of the other and each is the agent of the other with respect to manufacturing, engineering, design, development, research, regulatory compliance, and promoting, marketing and distribution of the vehicles in Canada, through authorized dealers.

## NATURE OF THIS ACTION

- 15. This class action concerns the life threatening, negligent, and dangerous design, production, and manufacture of defective engine components in the Class Vehicles.
- 16. Despite their longstanding knowledge of the material and manufacturing defect, the Defendants failed to disclose to the Plaintiff and Class Members that the Class Vehicles are predisposed to an engine defect that causes an excessively high rate of engine oil consumption that far exceeds industry standards (the "Oil Consumption Defect").
- 17. The Oil Consumption Defect results in safety risks to the operator and passengers of the vehicle by preventing the engine from maintaining the proper level of engine oil and causing an excessive amount of engine oil consumption that can neither be reasonably anticipated nor predicted. In addition to the safety issue, the Oil Consumption Defect results in reduced fuel efficiency and increased emissions.
- 18. The Oil Consumption Defect causes unexpected engine stalling and engine failure while the Class Vehicles are in operation at any time and under any driving condition or speed.

  This exposes the driver and occupants of the Class Vehicles, as well as others who share the road with them, to an increased risk of accident, injury or death.

, -

#### THE VEHICLES AND THE DEFECTS

The Class Vehicles

- 19. The Defendants design, manufacture, promote, distribute, lease and/or sell the Class Vehicles in Canada.
- 20. The 2018-2020 Ford F-150 vehicles affected by the Oil Consumption Defect were those with the optional 5.0L Ti-VCT V8 Engine (the "Class Vehicles").
- 21. The 5.0L Ti-VCT V8 "Coyote" Engine is a 5.0 litre modular V-8 piston engine with direct fuel injection, four-valve dual overhead cylinder heads cast, forged steel crankshaft and a high 12.0:1 compression ratio (the "5.0L Engine").
- 22. The 5.0L Engine in the Class Vehicles comes with a feature known as deceleration fuel shut off. It is also believed that Ford has implemented extensive friction reduction measures including reduced tension piston and oil control rings.
- 23. The 5.0L Engine uses eight reciprocating pistons to convert pressure into a rotating motion. Gasoline is mixed with air in the combustion chamber of the engine and the rotating motion is generated through the four-step combustion cycle. Engine oil is used to lubricate the engine as it moves through the combustion cycle, reduce wear and tear on moving parts, improve sealing, and cool the engine by carrying heat away from moving parts.
- 24. While engine oil functions as an essential lubricant for the moving parts in internal combustion engines, modern automobile engines are not engineered to flow substantial quantities of engine oil into the combustion chambers. When faulty engines permit

excessive amounts of engine oil to the combustion chamber, this leads to a host of serious problems, including prematurely low levels of engine oil, low oil pressure, lack of engine lubricity, engine knock, spark plug fouling and knock, piston ring fouling, and major damage to other critical engine parts.

## The Oil Consumption Defect

- 25. The primary cause of the Oil Consumption Defect in the Class Vehicles is that the piston and oil rings in the engines do not apply or maintain sufficient tension to keep oil in the crankcase and allow excess oil to flow into the combustion chamber and through the exhaust.
- 26. In the Class Vehicles, insufficient tension on the piston and oil rings allows engine oil to enter the combustion chamber, commonly referred to as "blow-by". Once engine oil is in the combustion chamber, it causes decreased engine performance and results in engine oil being burned off during the combustion cycle sequence, thereby reducing the overall amount of oil contained in the engine. Additionally, the engine oil consumed during the consumption cycle causes gases to enter and contaminate the crankcase, which is the protective cover that insulates the crankshaft.
- 27. To reduce the risk of crankcase contamination and improve vehicle emissions, the positive crankshaft ventilation ("PCV") system was invented in the early 1960s. The PCV system involves the recycling of these wanted gases through a valve (the "PCV Valve") and circulates them back into the intake manifold, where they are pumped back into the cylinders for another chance at being burned during the combustion cycle.

**-** ノ・

- 28. In the Class Vehicles, the PCV system is inadequate and fails to reduce pressure within the crankcase caused by combustion gases escaping from the combustion chamber, past the piston and oil rings, and into the crankcase. This is because of the increased blow-by as a result of the reduced piston and oil control ring tensions in an effort to decrease overall friction within the engine in hopes of gaining greater fuel efficiency.
- 29. When the Class Vehicles are in operation, engine oil is used to lubricate the piston and cylinder wall as the piston moves up and down through the four-stroke combustion cycle. If there is an insufficient amount of engine oil, the engine will not have the necessary lubrication or cooling, thereby causing premature wear of internal parts, inadequate performance, and/or catastrophic engine failure.
- 30. Each engine piston in the 5.0L Engine contains rings on its top sidewall that, when correctly sized and installed, and properly tensioned, prevent engine oil from entering the combustion chamber and optimize compression. Each piston has three rings: the top compression ring, the second compression ring, and the oil control ring.
- 31. The top compression ring is the closest to the inlet and combustion gases, and transfers the majority of the combustion chamber heat from the piston to the cylinder wall. The second compression ring, also known as the wiper ring, is used to further seal the combustion chamber and to wipe the cylinder wall clean of excess oil. The bottom ring, known as the oil control ring, is used to wipe excess oil from the cylinder wall during piston movement and return excess oil through the ring openings and oil drain holes to the engine oil pan.

- 10 -

- 32. If engine oil is able to pass between any of these piston rings and the surface of the cylinder wall, then the engine oil will enter the combustion chamber of the engine. When engine oil enters the combustion chamber it causes decreased engine performance and increased engine oil consumption. Furthermore, engine oil in the combustion chamber causes a decrease in fuel efficiency, causes carbon deposits to form within the engine, and damages the vehicle ignition and emission components.
- 33. The Oil Consumption Defect inherent in the Class Vehicles allows engine oil to escape past the oil control and piston rings and enter into the combustion chamber during the combustion process. Once in the combustion chamber, oil is burned off rather than returned for further lubrication. This causes a decrease in the lubricating properties of the engine oil in the 5.0L Engines and has a direct negative impact on the vehicles' durability, life expectancy, performance, and emissions.

The Oil Consumption Defect causes Higher Emissions

- 34. The Oil Consumption Defect can contaminate Class Vehicles' oxygen sensors, catalytic converters and spark plugs, damaging and causing inefficiency of those parts, and leading to less efficient engines and increased emissions.
- 35. Oxygen sensors monitor unburned oxygen in exhaust gases and send this information to the vehicle's engine control module, which uses this information to determine whether the fuel mixture has the correct air to fuel ratio and adjusts the fuel mixture as necessary. The oxygen sensors also measure oxygen levels after the exhaust reacts with the catalytic converter, to help the engine run efficiently and to minimize emissions. The catalytic

- 11 -

converters are emissions control devices designed to convert toxic pollutants, contained in exhaust gases, to less toxic pollutants by catalyzing a redox redaction.

- 36. The Oil Consumption Defect causes a significant amount of the engine oil to be burned within the combustion chamber during the combustion process. The Oil Consumption Defect also results in excess unburned engine oil that exits the engine via the exhaust system, including through the catalytic converter. Excess engine oil in the exhaust system causes increased harmful emissions by interfering with the catalytic converters and oxygen sensors, which results in the engine not being able to properly detect emission issues.
- 37. Likewise, the catalytic converters can become poisoned after engine oil is burned during the combustion cycle. The burnt oil is incorporated into the vehicle's expelled exhaust gases, with the exhaust containing substances that coat the working surfaces of the catalytic converters. This can encapsulate the catalyst so that it cannot contact and treat the exhaust.
- 38. When the catalytic converter or oxygen sensors are compromised, the Check Engine light should illuminate on the display panel informing the driver of a problem. Due to the Oil Consumption Defect's effect on the catalytic converter, the Class Vehicles may lose the ability to provide notice of an issue to the driver. The result is that drivers are left completely unaware that the dangerous Oil Consumption Defect is also causing the Class Vehicles to have an emissions system that is defective and causes increased pollution.

- 14 -

## The Oil Consumption Defect is Dangerous and Life-Threatening

- 39. In addition to causing engine damage and increased emissions, as described above, the low engine oil conditions that can result from the Oil Consumption Defect present dangerous and life-threatening safety hazards to the Class Members, occupants of the Class Vehicles, and other members of the public.
- 40. With insufficient engine oil and engine lubricity, the engines in the Class Vehicles will overheat and have the potential to catch fire (a non-collision engine fire).
- 50. Low engine oil conditions are also unsafe because, if the Class Vehicle's engine experiences enough damage, it will seize and the Class Vehicle will unexpectedly and suddenly stall, shut down, lose power or experience catastrophic engine failure. This engine stalling, unanticipated engine shutdown, unexpected and sudden loss of power and/or catastrophic engine failure occur while the Class Vehicle is in operation, at any time and under any driving conditions and/or speed. It could cause a collision or leave Class Members and occupants of the Class Vehicles stranded in an unsafe situation.

## Ford's Knowledge of the Oil Consumption Defect

41. Ford has been aware of the oil consumption issues with the 5.0L Engines. Ford has a process whereby it issues a technical service bulletin ("TSB") to its authorized dealers in order to provide instructions on how to repair Ford vehicles or respond to particular customer complaints. The TSBs are not meant for consumer review and rather than reveal the root cause, severity or scope of the problem, the TSB merely describes a complaint and a remedy.

- 15

- 42. In or around March 2019, Ford issued a TSB regarding excessive oil consumption in the 2018 Ford F-150 vehicles equipped with the 5.0L Engine (the "March 2019 TSB"). The March 2019 TSB stated that these vehicles may exhibit excessive oil consumption with no visible oil leaks. It instructed technicians to replace the PCV valve, change the engine oil and oil filter, and inform the customer that they should check the vehicle's oil every 200 miles. The March 2019 TSB instructs customers to bring the vehicle back to the dealership after driving the vehicle not less than 4,800 kilometers. If the amount of oil consumed exceed 4,800 kilometers per litre then the technician was instructed to replace the engine long block assembly.
- 43. In or around May 2019, Ford issued a second TSB regarding excessive oil consumption in the 2018 Ford F-150 vehicles equipped with the 5.0L Engine (the "May 2019 TSB"). The May 2019 TSB was generally the same as the March 2019 TSB, except for an additional step related to marking and measuring the oil consumption.
- 44. In or around November 2019, Ford issued a third TSB regarding excessive oil consumption in the 2018-2019 Ford F-150 vehicles equipped with the 5.0L Engine (the "November 2019 TSB"). The November 2019 TSB instructed technicians to stop the practice of replacing the engine long block assembly and instead instructed technicians to simply add oil to the engine as needed to bring the oil level to the maximum fill line on the oil level indicator.
- 45. In or around December 2019, Ford issued a fourth TSB regarding excessive oil consumption in the 2018-2020 Ford F-150 vehicles equipped with the 5.0L Engine (the "December 2019 TSB"). The December 2019 TSB attributed the excessive oil

- 17 -

consumption to the possibility of high intake manifold vacuum during deceleration fuel shut off resulting in oil being pulled into the combustion chamber. The proposed correction under the December 2019 TSB was to reprogram the powertrain control module, install a new engine oil level indicator ("**Dipstick**") and change the engine oil and oil filter. The new Dipstick "uses a wider 1.9 liter (2 quart) normal operating range" which lowers the minimum required fill level and masks the oil consumption problem.

- 46. In addition to the TSBs, the Defendants also knew or ought to have known about the Oil Consumption Defect in the Class Vehicles from Transport Canada and US National Highway Traffic Safety Administration complaints and records. The Defendants routinely monitor these complaints and records to identify potential defects in their vehicles.
- 47. Despite acknowledgments of the oil consumption issues in multiple internal TSBs, its own records of customer complaints, dealership repair records, and complaints to Canadian and American governmental bodies, Ford continues to deny the existence of the Oil Consumption Defect to Class Members.
- 48. Further, Ford's failure to notify the general public or the owners or lessees of the Class Vehicles of the Oil Consumption Defect is particularly egregious because after Oil Consumption Defect manifests, the Class Vehicles may suffer catastrophic engine failure while in use, resulting in a very dangerous situation placing the driver and occupants at an increased risk of injury.
- 49. Engines are designed to function for periods (and mileages) substantially in excess of those specific in the Defendants' warranties, and given past experience, consumers

- ı.J.

legitimately expect to enjoy the use of an automobile without worry that the engine will fail for significantly longer than the limited times and mileages identified in the Defendants' warranties.

- 50. Ford markets its vehicles as particularly safe and reliable.
- 51. Automobiles must incorporate designs that are able to withstand foreseeable usage conditions. A vehicle can suffer extensive damage and costly repairs from customary environmental and usage conditions when a vehicle suffers from such a defect.
- 52. In many instances, consumers have incurred and will continue to incur expenses for repair and/or replacement of the engines despite such Oil Consumption Defect having been contained in the Class Vehicles when manufactured by the Defendants.

## **CAUSES OF ACTION**

- (a) Negligence in Design, Manufacture, and Testing of the Products
- 53. The Defendants were negligent as they know or ought to have known that their acts committed by way of design, manufacture, testing, production, marketing, and sale of the Class Vehicles would result in harm to the Plaintiff and Class Members. The Defendants failed to adequately research, design, test, and/or manufacture the 5.0L Engines and PCV systems in the Class Vehicles before warranting, advertising, promoting, marketing, and selling the Class Vehicles as suitable and safe for use in an intended and/or reasonably foreseeable manner.
- 54. The Defendants are experienced in the design and manufacture of consumer vehicles. As experienced manufacturers, the Defendants conduct tests, including pre-sale durability

- 117

- testing, on incoming components, including the engines, to verify that the parts are free from defect and align with the Defendants' specifications.
- 55. The Defendants knew or should have known of the Oil Consumption Defect through their comprehensive quality assurance activities and manufacturing controls.
- 56. At all material times, the Defendants owed a duty of care to the Plaintiff and Class Members to:
  - (a) ensure that the Class Vehicles were fit for intended and/or reasonably foreseeable use;
  - (b) conduct appropriate testing;
  - (c) monitor, investigate, evaluate, and follow up on report of Oil Consumption

    Defects in the Class Vehicles;
  - (d) properly, adequately, and fairly warn of the magnitude of safety risks;
  - (e) ensure that consumers and the public were kept fully and completely informed of all safety risks associated with the Class Vehicles in a timely manner; and
  - (f) properly inform Transport Canada and other regulatory agencies of all risks associated with the Class Vehicles.
- 57. The Defendants negligently breached their duty of care.
- 58. The Defendants were well aware of the Oil Consumption Defect but failed to notify customers of the nature and extent of the problems with Class Vehicle engines or to provide any adequate remedy.

- 1/-

- 59. The Plaintiff states that his damages were caused by the negligence of the Defendants.

  Such negligence includes, but is not limited to, the following:
  - (a) the Defendants failed to ensure that the Class Vehicles were safe;
  - (b) the Defendants failed to adequately test the Class Vehicles in a manner that would fully disclose the magnitude of the risks associated with use of the Class Vehicles;
  - (c) the Defendants failed to provide with Plaintiff and Class Members with proper, adequate, and/or fair and timely warning of the risks associated with use of the Class Vehicles;
  - (d) the Defendants failed to design and establish a recall process to repair the Oil Consumption Defect;
  - (e) the Defendants failed to adequately monitor, establish, and act upon reports of safety issues resulting because of the Oil Consumption Defect;
  - (f) the Defendants failed to provide any or any adequate updates and/or information to the Plaintiff and Class Members respecting the risks of the Oil Consumption Defect despite the information being known to the Defendants;
  - (g) the Defendants have consistently underreported and withheld information about the Oil Consumption Defect and the associated risks;
  - (h) after becoming aware of the Oil Consumption Defect, the Defendants failed to issue any warning, failed to issue a recall, and failed to otherwise act prudently in a timely manner to alert Class Members and/or the public of the inherent dangers of the Oil Consumption Defect;

- 10 -

- (i) the Defendants represented that the Class Vehicles were safe and fit for intended purposes when the Defendants knew or ought to have known that these representations were false;
- (j) the representations regarding safety of fitness of the Class Vehicles were unreasonable given that the Oil Consumption Defect was known or ought to have been known by the Defendants;
- (k) the Defendants failed to cease the production, manufacture, marketing, and/or distribution of the Class Vehicles when they knew or ought to have known of the Oil Consumption Defect and the associated safety risks; and
- (l) in all of the circumstances of this case, the Defendants applied callous and reckless disregard for the health and safety of the Plaintiff and Class Members.
- 60. As a result of the Defendants breaching their duty of care owed to the Plaintiff and Class Members, the Plaintiff and Class Members suffered damages.

## (b) Failure to Warn

- 61. The Defendants owed a duty of care to the Plaintiff and Class Members to warn the Plaintiff and Class Members regarding the Oil Consumption Defect. The Defendants negligently breached their duty of care as they failed to warn the Plaintiff and Class Members of the Oil Consumption Defect or the consequent injuries and damages caused by the Engine Defect.
- 62. The Plaintiff states that his damages were caused by the negligence of the Defendants.

  Such negligence includes, but is not limited to, the following:

- 1ノ -

- (a) the Defendants failed to provide the Plaintiff and Class Members with proper, adequate, and/or fair and timely warning of the Oil Consumption Defect;
- (b) the Defendants failed to provide the Plaintiff and Class Members with proper, adequate, and/or fair and timely warning of the magnitude of the Oil Consumption Defect;
- (c) the Defendants failed to adequately monitor, evaluate, and act upon reports of the Oil Consumption Defect; and
- (d) the Defendants have consistently underreported and withheld information about the propensity of the Consumption Defect to cause injuries and damages.
- 63. As a result of the Defendants breaching their duty of care owed to the Plaintiff and Class Members, the Plaintiff and Class Members suffered damages.
- (c) Breach of Warranty & Contract
- 64. As part of their purchase agreements, the Plaintiff and Class Members entered into agreements with the Defendants that consisted of both implied and express terms and warranties, including the condition that the Class Vehicles were free of defects and fit for intended and/or reasonably foreseeable use.
- 65. The Defendants expressly warranted the Class Vehicles to be free from defects for a period of five year/100,000 km Powertrain Warranty. The warranty is applicable to the Oil Consumption Defect, however, the Defendants have failed to correct the issues.
- 66. The Defendants breached both the express and implied terms of the warranty of these agreements by, *inter alia*:

- Zu ·

- (a) supplying the Plaintiff and Class Members with Class Vehicles that contained theOil Consumption Defect; and
- (b) supplying the Plaintiff and Class Members with Class Vehicles that failed to perform to the standard, characteristics, and qualities that the Defendants warranted.
- 67. As a result of the Defendants' breach of contract and warranty, the Plaintiff and Class Members sustained foreseeable damages.

## (d) Unjust Enrichment

- 68. Through the Defendants' production, marketing, and sale of the Class Vehicles, the Defendants were unjustly enriched by profits received and retained from the Plaintiff and Class Members. The Plaintiff and Class Members were correspondingly deprived by paying for a vehicle that was defective. There is no established juristic reason for the enrichment of the Defendants.
- 69. Revenue generated from the production, marketing, and sale of the Class Vehicles was revenue received and retained by the Defendants at the expense of the Plaintiff and Class Members. The Defendants must be required to disgorge all of the revenues thereby received.

- 41 -

#### **DAMAGES**

- 70. The Plaintiff's and Class Members' damages were caused by the actions of the Defendants. As a result of the Defendants' negligence, failure to warn, and breach of contract and warranty, the Plaintiff and Class Members have suffered and will continue to suffer damages.
- 71. The Plaintiff claims damages for costs, time, and expenses incurred in the process of rectifying the damages caused by the Defendants. As a result of the Defendants' conduct, the Plaintiff and Class Members have suffered and continue to suffer expenses and damages of a nature and amount to be particularized prior to trial.
- 72. The Plaintiff claims punitive, aggravated, and exemplary damages for the reckless and unlawful conduct of the Defendants. The Defendants' acts, wrongdoings, and breaches of duties constitute unlawful business practices, the effects of which were and are borne by the Plaintiff and Class Members.

## PLACE OF TRIAL

73. The Plaintiff proposes that this action be tried in the City of London.

- \_\_ .

## SERVICE OUTSIDE ONTARIO WITHOUT LEAVE

74. Pursuant to rule 17.02(g) and (p) of the Ontario *Rules of Civil Procedure*, this originating process may be served outside Ontario without a court order because the proceeding consists of a claim or claims (a) in respect of a tort committed in Ontario; and, (b) against a person ordinarily resident or carrying on business in Ontario.

May 6, 2021

MCKENZIE LAKE LAWYERS LLP 140 Fullarton Street, Suite 1800

London ON N6A 5P2

Michael J. Peerless (LSO #34127P) Matthew D. Baer (LSO #48227K) Emily Assini (LSO #59137J)

Tel: 519.662.5666 Fax: 519.672.2674

Lawyers for the Plaintiff

WILLIAM KENNEDY Plaintiff

-and- FORD MOTOR COMPANY et al Defendants

Court File No.

## ONTARIO SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT LONDON

#### STATEMENT OF CLAIM

### MCKENZIE LAKE LAWYERS LLP

140 Fullarton Street, Suite 1800 London, Ontario N6A 5P2 Michael J. Peerless (LSO # 34127P) Matthew D. Baer (LSO # 48227K) Emily Assini (LSO #59137J)

Tel: 519-672-5666 Fax: 519-672-2674

Lawyers for the Plaintiff