

Toyota Paint Defect Class Action

Answers to Questions (FAQ)

Defined terms have the same meaning as in the Toyota class action Litigation funding agreement (**funding agreement**).

1. What is a class action?

A class action is a special type of court case which enables a number of claims to be pursued together in a cost effective and efficient manner, rather than as a series of individual cases for each affected person.

A class action is brought by one person (known as the '**lead applicant**' or '**applicant**') on their own behalf and on behalf of a class of people (known as '**group members**') against another person (known as the '**respondent**').

In order to commence a class action, there must be at least 7 (but there are often many more) group members who have claims against the same respondent that are in respect of, or arise out of, the same, similar or related circumstances, and which give rise to a substantial common issue of law or fact.

In a class action, the lead applicant's claims are used to resolve as many factual and legal issues common to the group members' claims as possible. While the group members are represented by the lead applicant, it is not necessary that every class member has exactly the same claim.

2. Who is Omni Bridgeway?

Omni Bridgeway Limited ("**OBL**") is a public company listed on the Australian Securities Exchange (ASX:OBL). Omni Bridgeway Limited provides, through its funding entities, funding for significant and large-scale litigation. Information about Omni Bridgeway Limited can be found on the Omni Bridgeway Limited website at www.omnibridgeway.com.

Omni Bridgeway (Fund 5) Australian Invnt. Pty Limited (generally referred to as "Omni Bridgeway") is providing litigation funding for the fees and disbursements of law firm William Robert Lawyers ("**the Lawyers**") who will be conducting proceedings against Toyota on behalf of the class.

OBL will also provide litigation management services during the class action.

3. Who is William Roberts Lawyers?

William Roberts Lawyers is a law firm that specialises in running class actions. They are the Lawyers who will be running the claim against Toyota.

4. Who is the claim against?

The claim is against companies within the Toyota group, including Toyota Motor Corporation Australia Limited ABN 64 009 686 097.

5. What is the claim about and which Toyota vehicles are affected?

The claim is about a paint defect on certain Toyota Corolla vehicles. Specifically, Toyota Corolla vehicles that were supplied or purchased after 1 January 2011 and were:

- manufactured between 12 July 2010 to 30 September 2014 (limited to certain body shapes during parts of this period) (**Manufacture Period**); and
- painted with factory code 040 white paint (also known as Glacier Pure Super White, Glacier White, Super White, or Super White II) (**Affected White Paint**),

Toyota Corolla vehicles with the following body shapes and which were manufactured during the following periods within the Manufacture Period are currently the subject of the class action:

- 12 July 2010 to 24 March 2014 – Toyota Corolla sedan models (Ascent, Ascent Sport, Conquest, Ultima, Sedan SX and Sedan ZR); and
- 10 January 2012 to 30 September 2014 – Toyota Corolla hatchback models (Ascent, Ascent Sport, Conquest, Levin SX and Levin ZR).

Toyota Corolla vehicles that fall within the above parameters are referred to in the documents as **Affected Toyota Corollas**.

The paint defect can cause the paint on the Affected Toyota Corollas to peel. As such, the paint defect breaches the guarantee as to acceptable quality pursuant to section 54 of the Australian Consumer Law. Regardless of whether or not the paint has actually peeled, the paint defect causes a reduction in the value of the Affected Toyota Corollas and other losses. The claim will seek that reduction in value and other losses from Toyota for each group member.

6. How do I know if I am eligible to participate in the class action?

To be eligible for participation in the class action, you must have purchased or been supplied with an Affected Toyota Corolla after 1 January 2011. People who meet this description are referred to in the documents as **Affected Consumers**.

You may be eligible to take part in the class action whether the paint on your Affected Toyota Corolla has peeled or not.

Affected Consumers include anyone who:

- purchased (including via a lease) an Affected Toyota Corolla either as new (i.e. from a dealer) or second hand; and
- owned an Affected Toyota Corolla, but has since sold it.

7. How can I check if I am eligible?

First, you need to work out if your Toyota Corolla vehicle was produced/manufactured in the Manufacture Period by reviewing:

- The build plate/label on it (see example further below).
- A contract for the sale of the vehicle.
- The certificate of registration or roadworthiness or similar.

Note: The name used to describe a “certificate of registration” or “certificate of roadworthiness” will differ amongst each state and territory registry. For example, a certificate of registration can also be described as a Vehicle Registration Notice, Vehicle Registration Renewal Notice, or Licence and Third Party Insurance Policy (issued by the government of WA). If you are in doubt as to which document will assist with identifying when your Toyota Corolla was produced/manufactured, please contact your state or territory motor vehicle registry for further information.

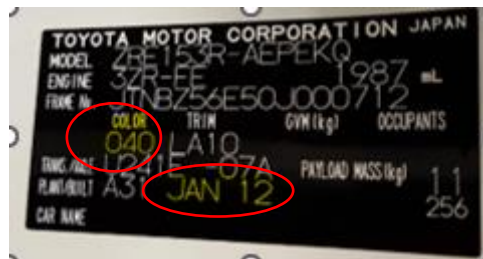
Secondly, if your Toyota Corolla vehicle was produced/manufactured in the Manufacture Period, then you need to confirm the following based on the body shape of your Toyota Corolla vehicle:

- If your Toyota Corolla vehicle is a sedan, confirm that it was manufactured from 12 July 2010 to 24 March 2014.
- If your Toyota Corolla vehicle is a hatchback, confirm that it was manufactured from 10 January 2012 to 30 September 2014.

Thirdly, you need to work out if your Toyota Corolla was painted with Affected White Paint by reviewing:

- The build plate/label on it (see example below).
- A contract for the sale of the vehicle.

The build plate/label contains information about the vehicle and was affixed to the vehicle by Toyota. An example of a build plate/label is shown below (note that this may not look the same as the build plate/label on your vehicle and is only intended to be used as a guide):



In the above example, the Toyota Corolla was “BUILT” in JAN 12 (being January 2012) and its “COLOR” was 040. This means that this Toyota Corolla was manufactured during the Manufacture Period and was painted with the Affected White Paint.

You **do not** currently meet the eligibility criteria for the class action if you own or have owned:

- a Toyota vehicle that is **not** a Corolla;
- a Toyota Corolla sedan that was **not** manufactured from 12 July 2010 to 24 March 2014; or
- a Toyota Corolla hatchback that was **not** manufactured from 10 January 2012 to 30 September 2014; or
- a Toyota Corolla that was **not** painted with the Affected White Paint; or
- an Affected Toyota Corolla that was supplied to you prior to 1 January 2011.

Despite the above, if you own or have owned either:

- a Toyota Rukus vehicle manufactured/produced between 22 August 2011 and 25 December 2015 and painted with Affected White Paint; or
- any other Toyota vehicle that has experienced paint peeling,

then you are invited to register your interest in the class action as we would like to hear about your experience. You will not be able to sign a funding agreement at this stage, but we will let you know if we decide to include a claim for you (and others like you).

8. I purchased my car second-hand and could be the second, third or fourth owner (etc. and so on) of the car. Am I still eligible to sign up for the class action?

We encourage all second-hand purchasers of Affected Toyota Corollas (irrespective of whether they are the second, third or fourth purchaser and so on) to sign up to the class action and sign a funding agreement.

9. Will I receive any damages if I have already sold my Affected Toyota Corolla?

If you meet the eligibility criteria in question 6 above, you may be entitled to damages even if you have sold your Affected Toyota Corolla and we encourage you to sign up to the class action. Ultimately, the Court will decide who is entitled to damages and the quantum of the damages.

10. Can I still join the class action if I own a Toyota vehicle that is not an Affected Toyota Corolla?

You **do not** currently meet the eligibility criteria for the class action if you own or have owned:

- a Toyota vehicle that is **not** a Corolla;
- a Toyota Corolla vehicle that was **not** manufactured during the Manufacture Period; or
- a Toyota Corolla that was **not** painted with the Affected White Paint; or
- a Toyota Corolla that was supplied/purchased prior to 1 January 2011.

Despite the above, if you own or have owned either:

- a Toyota Rukus vehicle manufactured/produced between 22 August 2011 and 25 December 2015 and painted with Affected White Paint; or
- any other Toyota vehicle that has experienced paint peeling,

Then you are invited to register your interest in the class action as we would like to hear about your experience. You will not be able to sign a funding agreement at this stage, but we will let you know if we decide to include a claim for you (and others like you).

11. Should I repair or repaint my Affected Toyota Corolla if it is peeling?

The approach you take to servicing and repairing your Affected Toyota Corolla is entirely a matter for you.

Generally speaking, repairing your vehicle (at a reasonable cost) will not impact your ability to participate in the class action. If you do repair your vehicle we strongly recommend that you retain samples of the peeling paint (including a record of where they were taken from on your vehicle), photos of the peeling paint and documentation showing the history of the paint peeling, details of the repairs made to address the paint peeling and proof of the cost of repairs, as such documents may be useful to proving your claim.

You may need to seek specialist advice from a repairer to determine whether the repairs you propose to carry out will actually remedy the paint peeling defect once and for all. That, of course, is a matter for you.

Ultimately, the Court has the discretion to modify or reduce any damages payable to any Affected Consumers if the Court deems that the steps they took to repair their vehicle(s) were unreasonably costly or otherwise unreasonable.

12. How much compensation will I receive?

At this stage, we are unable to say how much you may be eligible to claim. The amount of money to be awarded to members of a class action will be determined or approved by the Court, typically following either a trial or settlement. We will keep you informed of developments in the case as they occur on our website: <https://portal.omnibridgeway.com/cases/register/toyota-paint-defect-class-action-overview>

13. How long will the class action take?

It is difficult to state for certain how long the class action will run for; however, generally speaking, a matter in the Federal Court can, on average, last for 24 to 48 months but may take longer or shorter than this period depending on several factors including, but not limited to, how the claim progresses, whether the matter settles early and the attitude of the respondent.

14. If I sign a funding agreement, what will be the charges?

Any legal proceedings will be funded by Omni Bridgeway on a “no win, no pay” basis. This means that you do not have to pay anything in the event that the class action proceeds, and your claim is ultimately unsuccessful. If your claim is successful Omni Bridgeway will be entitled to receive certain amounts (see question 16 below), but only from what is recovered.

William Roberts Lawyers will also be entitled to their share of “Remaining Costs” as defined in the funding agreement, but again only from what is recovered. Fees recovered by William Roberts Lawyers will not exceed any amount approved by the Court in respect of legal fees.

15. What will it cost me if any legal proceedings are not successful?

Nothing - subject to the terms of the funding agreement, Omni Bridgeway will pay any costs order which may be made in favour of Toyota.

16. What will Omni Bridgeway receive?

If proceedings are successfully resolved, the funding agreement provides that Omni Bridgeway will receive a return of the costs and expenses it has paid and a percentage of the recovery, as set out in clause 5 of the funding agreement.

17. Do I have to sign a funding agreement to participate in the class action?

It is proposed that the claim will be filed on an “open class” basis. This means that all Affected Consumers are group members in the class action, irrespective of whether or not they have signed a funding agreement, and will participate in the class action if they do not choose to opt out of the proceedings (pursuant to a Court notice that will be sent during the course of the proceedings). As such, it is not necessary to sign a funding agreement to participate in the class action. However, for the reasons set out below, we encourage you to sign a funding agreement.

18. As the class action is going to be filed on an “open class” basis proceeding, why should I sign a funding agreement?

There are a number of reasons why group members may wish to consider signing a funding agreement even where the claim will, or has been, filed on an ‘open’ basis.

First, the initial trial in a class action will usually only determine the lead applicant’s claim and the common issues. Issues specific to your individual claims, such as whether you suffered loss and the value of the loss, may not be determined in the initial trial. It may be that further steps will

then need to be taken in order to pursue your individual damages. This could include a court hearing at which your individual damages are determined. By signing a funding agreement, you will secure Omni Bridgeway's funding at the agreed commission rates that cover not only the initial trial in the class action, but also any additional steps that may be needed to advance your individual claims. You will also be protected from any adverse costs orders that may be made against you in taking these additional steps.

Second, by signing a funding agreement and retaining the Lawyers you will be kept apprised of developments in the class action and be able to ask questions of Omni Bridgeway Limited and the Lawyers as a client.

Third, there will likely be a formal Court-ordered process whereby group members will need to register in the class action. By signing a funding agreement, Omni Bridgeway Limited will take steps to ensure you are automatically registered and that no further independent steps are required on the part of its clients.

Fourth, as the claim has been filed on an "open class" basis the lead applicant may ask the Court for a "common fund" order. A common fund order is an order made by the Court requiring all group members to contribute to the costs of funding the proceeding on a fair basis, including those who have not signed a funding agreement. If the Court is minded to make a common fund order in this case, Omni Bridgeway intends to submit that the funding rate that the Court should apply to the unfunded group members be the same as the rate in the funding agreement. The Court will set a rate (which may be different to the rate in the funding agreement) that will apply consistently to all group members. Under the funding agreement, where the Court makes a common fund order and sets a rate which is different to the rate in the funding agreement, the lower of the rate provided in the funding agreement and the rate set by the Court will apply to members of the group who have signed a funding agreement. In these circumstances, you will not be financially worse off for having signed a funding agreement with Omni Bridgeway.

In addition, if the Court is not minded to make a common fund order, the Court may make a "funding equalisation order" in relation to the distribution of any settlement sum. The effect of a funding equalisation order is to equalise the recovery that funded and unfunded group members receive in the hand, taking into account the fact that funded group members will be required to pay a commission to Omni Bridgeway. As far as we are aware, a funding equalisation order has been made upon request in all previous "open class" actions that have included a combination of funded and unfunded group members, including several cases that were funded by Omni Bridgeway Limited and/or its funding entities. A funding equalisation order would mean that the return of unfunded group members would be reduced by the amount they would have paid had they signed a funding agreement to ensure that unfunded group members receive the same proportionate net outcome.

Finally, by signing a funding agreement with Omni Bridgeway you are also demonstrating support for the Omni Bridgeway funded proceeding.

We believe that our proven track record in funding matters of this type, our demonstrable financial strength, and the experience of the Lawyers means that this class action will be an effective vehicle for Affected Consumers to pursue their claims.

19. Who should sign the funding agreement?

The funding agreement should be signed by the Affected Consumers. It is possible for there to be more than one Affected Consumer in respect of the same Affected Toyota Corolla, and all Affected Consumers (whether they be the first, second or third owner, etc. and so on) may sign the funding agreement. Please otherwise see question 7 regarding second-hand owners.

It is also possible for an Affected Consumer to have more than one Affected Toyota Corolla. If this applies to you, then please contact Omni Bridgeway's Client Liaison Team by email at toyota@omnibridgeway.com for assistance with signing the funding agreement and sign up generally.

In most cases the Affected Owner will be an individual and they will sign the funding agreement. If the Affected Consumer is a company (whether in its own right or as a trustee), the funding agreement should be signed by the director/s of the company (where the company has one director, that director, or if it has more than 2 directors, 2 of those directors) or any person who holds a power of attorney for the company.

20. What is Omni Bridgeway's Conflicts Management Policy?

Omni Bridgeway is required to have in place adequate practices for managing any conflict of interest that may arise between Omni Bridgeway, the Lawyers, and funded claimants and others in relation to any litigation funded by Omni Bridgeway.

This is a requirement of the Corporations Regulations, as recently amended.

Omni Bridgeway's Conflicts Management Policy sets out how Omni Bridgeway and/or Omni Bridgeway Limited identifies and manages any such conflict so as to ensure that Omni Bridgeway Limited and Omni Bridgeway comply with the Regulations. You can access Omni Bridgeway's Conflict Management Policy by going to Omni Bridgeway Limited's website and using the password which Omni Bridgeway Limited will provide to you.

21. If I have signed a funding agreement can I withdraw from the class action?

You may opt out of the class action in accordance with a notice that will be sent to you in the course of the proceedings. If you choose to opt out, you will no longer be included in the class action and your funding agreement will terminate. However, some terms of the funding agreement you sign will continue to apply, with the effect that if you receive a settlement or judgement from Toyota after you opt out, you will remain liable to pay your share of Omni Bridgeway's commission, management fee and costs that Omni Bridgeway has paid, from any recovery you receive (see clause 20 of the funding agreement).

You also have a cooling off period of 21 days after signing the funding agreement (see clause 18 of the funding agreement).

22. Will my personal information be kept private?

We will only use and/or disclose your personal information strictly for the purpose of the legal proceedings, or as required by the Court or by law or as requested by the Lawyers. In all other cases, we will seek your consent before disclosing any of your personal information.

Omni Bridgeway Limited's privacy policy can be found on the Omni Bridgeway Limited website at <https://omnibridgeway.com/website-policies/privacy-policy>

23. By when do I need to return the funding agreement and Lawyers' retainer and costs agreement?

If you are happy with the terms of the funding agreement and the Lawyers' retainer and costs agreement please return them (in their entirety) to Omni Bridgeway Limited as soon as possible, and by no later than the deadline specified on our website.

24. What is the Omni Bridgeway portal?

The Omni Bridgeway portal is a client portal whereby you can log in and see details of the Omni Bridgeway funded claims you have signed up for and upload documents. You can update your contact details and access information that is related to your claims. You can log into your Online Client Portal here: <https://portal.omnibridgeway.com/portal/login>

25. Who is Omni Bridgeway's Client Liaison Team, what services do they provide, and how much will they charge for those services?

Omni Bridgeway's Client Liaison Team (**CLT**) is a division of Omni Bridgeway based in Omni Bridgeway's Perth Office. CLT supports the Lawyers with the administration of group member claims.

CLT's services include, but are not limited to, hosting online services for group members, processing group members' registrations, responding to enquiries from group members (and potential group members), claims analysis and verification, facilitating communications with group members over the course of the proceeding, and assisting with other tasks as requested by the Lawyers or as directed by the Court. The Conflict and Risk Statement sets out the services provided by CLT in further detail and group members are encouraged to read that document.

CLT charges for its services "at cost", meaning it does not seek to make a profit for the provision of those services. Further, group members will not be out of pocket for these costs. In respect of the Toyota Paint Defect Class Action, CLT has estimated that its services will cost up to \$219,524 over the life of the class action. This is the maximum amount that will be charged in respect of CLT's services. In the event that CLT's costs exceed this amount, group members will not be liable for those costs. In the event that CLT's costs are less than that amount, it will only charge for the costs actually incurred.

CLT may enter into a services agreement with the Lawyers for the provision of client liaison services in respect of the Toyota Paint Defect Class Action. If a services agreement is entered into, CLT will provide its services on a time-recorded billing basis, invoiced quarterly, which will then be paid by Omni Bridgeway (Fund 5) Australian Inv. Pty Limited. Omni Bridgeway will seek to recover these disbursements upon a successful resolution of the class action in accordance with the terms of the funding agreement (see clauses 5.1.1, 13.1.5 and also paragraphs (d) and (h)(i) of the definition of "Project Costs" in the funding agreement and, if part of a Revised Budget, also paragraph (h)(ii) of the definition of "Project Costs").

26. Where do I obtain more information?

You may contact our Client Liaison Team via email at toyota@omnibridgeway.com or by phone on 1800 110 815.