

TRUESTEAM HUMIDIFIER CLASS ACTION SETTLEMENT

If you own or have owned one or more TrueSTEAM Humidifiers, you could get a new humidifier or a payment from a class action settlement.

- Class Members who file a timely and valid claim, including proof that between January 1, 2008 and September 18, 2018 they owned a TrueSTEAM Humidifier, will be eligible to receive EITHER (1) their choice of one of three Award Humidifiers or (2) a Cash Payment of \$40, \$45, or \$50 (depending upon the size of the TrueSTEAM Humidifier they owned).
- The Class (also referred to as the “Settlement Class”) includes all persons within Canada who owned one or more TrueSTEAM Humidifiers between January 1, 2008 and September 18, 2018 for personal or household use.
- The Settlement resolves litigation brought against Honeywell International Inc. and Honeywell Limited (“Honeywell”). The litigation alleges that TrueSTEAM Humidifiers were defectively designed and manufactured and deceptively marketed, primarily in relation to the alleged effects of mineral scale and sediment build-up on the units. Honeywell vigorously denies all allegations of wrongdoing or liability of any kind associated with the claims alleged in this litigation. However, to avoid the cost of a trial, and potential risks for both sides, the Parties have reached a Class Action Settlement Agreement and Release (“Settlement”), which was preliminarily approved by the Alberta Court of Queen’s Bench on September 18, 2018.
- Your legal rights are affected whether you act or don’t act. Read this notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:

- | | |
|-------------------------------|--|
| 1. SUBMIT A CLAIM FORM | The only way to get a Cash Payment or Award Humidifier; |
| 2. OPT OUT | Get no payment. This is the only option that allows you to be part of another lawsuit against Honeywell involving TrueSTEAM Humidifiers; |
| 3. OBJECT
OR | Write to the Court about why you don’t like the Settlement; |
| 4. DO NOTHING | Get no payment. Give up rights to assert an action against Honeywell involving TrueSTEAM Humidifiers. |

- These rights and options—**and the deadlines to exercise them**—are explained in this notice.
- The Court in charge of this case still has to decide whether to approve the Settlement. Cash Payments and Award Humidifiers will be issued if the Court approves the Settlement and after any appeals are resolved. Please be patient, and please check the website listed below for updates.

BASIC INFORMATION

1. What is this lawsuit about?

The Plaintiff filed a lawsuit in the Alberta Court of Queen’s Bench claiming that TrueSTEAM Humidifiers were defectively designed and manufactured and deceptively marketed, primarily in relation to the alleged effects of mineral scale and sediment build-up on the units (see Alberta Court File Number 1401-11108).

Honeywell vigorously denies all claims asserted against it in this litigation and specifically denies that TrueSTEAM Humidifiers were defective or that Honeywell engaged in any wrongdoing.

2. Why is this a class action?

In a class action, one or more people called Representative Plaintiffs sue on behalf of themselves and other people. The Court then resolves the claims asserted for all Class Members at one time.

If the Settlement is approved, it will bind all people who owned one or more TrueSTEAM Humidifiers for personal or household use between January 1, 2008 and September 18, 2018, except for those who are excluded (see Question 6) or who opt out from the Class (see Question 15). To be binding on Class Members, the Settlement must be approved by the Court.

3. Why is there a Settlement?

The Court did not decide in favor of Plaintiffs or Honeywell. Instead, both sides agreed to this Settlement.

This way, both sides avoid the potential risks and cost of a trial, and the Class Members who timely submit a claim supported by sufficient proof that they owned a TrueSTEAM Humidifier between January 1, 2008 and September 18, 2018 (see Questions 11 and 12) will get compensation without having to commit to a full trial. The Class Representatives and counsel for the Class (“Class Counsel”) believe the Settlement is best for all Class Members considering the risks of going forward to trial.

WHO IS IN THE SETTLEMENT?

4. How do I know if I am part of the Settlement?

You are a Class Member for purposes of the Settlement if you are within Canada and owned one or more TrueSTEAM Humidifiers during the period between January 1, 2008 and September 18, 2018 for personal or household use.

However, excluded from this Settlement Class are the persons and entities listed in Question 6 below.

5. If I previously settled my TrueSTEAM Humidifier claim with Honeywell, am I included?

Maybe. All Persons who have previously settled or otherwise resolved claims against Honeywell arising out of or in connection with a TrueSTEAM Humidifier may be excluded to the extent of the resolution of those claims and as specified in any applicable settlement agreement or release.

6. Are there exceptions to being included?

The following categories of people are not included in the Class even if they owned a TrueSTEAM Humidifier between January 1, 2008 and September 18, 2018:

- (a) Honeywell, any entity in which Honeywell has a controlling interest, and its legal representatives, officers, directors, employees, assigns and successors;
- (b) Any Person that purchased the TrueSTEAM Humidifier(s) for resale, including retailers, wholesalers, distributors, and HVAC contractors/installers;
- (c) All Persons who timely and validly opt out of the Settlement Class; and
- (d) All Persons who have previously settled or otherwise resolved claims against Honeywell arising out of or in connection with a TrueSTEAM Humidifier, to the extent of the resolution of those claims and as specified in any applicable settlement agreement or release.

7. I’m still not sure if I’m included.

If you are still not sure whether you are eligible to submit a claim, you can call 1-800-403-3578, email truesteam@ricepoint.com, or visit www.truesteamclassaction.ca for more information.

THE SETTLEMENT BENEFITS—WHAT YOU GET

8. What does the Settlement provide?

While disputing liability, Honeywell has agreed to settle this matter by providing all Class Members who file a timely and valid Claim Form, including sufficient proof to establish that they owned a TrueSTEAM Humidifier between January 1, 2008 and September 18, 2018, with the Class Member’s choice of EITHER (1) an Award Humidifier or (2) a Cash Payment of between \$40 and \$50, depending upon the size of the TrueSTEAM Humidifier that the Class Member owned.

Please Note: Class Members who owned more than one TrueSTEAM Humidifier between January 1, 2008 and September 18, 2018 may file a separate Claim Form for each TrueSTEAM Humidifier they owned. However, Class Members may not file separate, additional Claim Forms for Warranty Replacements (*i.e.*, TrueSTEAM Humidifiers provided pursuant to the TrueSTEAM Limited Warranty to replace a previously installed TrueSTEAM Humidifier). For purposes of this Settlement, all Warranty Replacements should be treated as one and the same with the original TrueSTEAM Humidifier they replaced. To illustrate, if a Class Member purchased a TrueSTEAM Humidifier in 2010, and that unit was replaced pursuant to the TrueSTEAM Limited Warranty in 2012, both the original 2010 unit and the 2012 Warranty Replacement count together as a single unit eligible for benefits under this Settlement, for which only one Claim Form may be submitted.

Please visit the FAQs section of the Settlement Website if you have questions about filling out a Claim Form for a unit that has been replaced by a Warranty Replacement.

Claim Forms will be processed in the order received, and once a Claim Form has been honored for a particular TrueSTEAM Humidifier, there will be no further benefits issued for that particular TrueSTEAM Humidifier under this Settlement.

9. Award Humidifier Option.

Claimants electing an Award Humidifier may choose between ONE of the following:

- Honeywell Steam Humidifier model HM609,
- Honeywell Steam Humidifier model HM612, or
- Honeywell Advanced Electrode Humidifier model HM750.

Claimants may elect an Award Humidifier of a larger size/capacity than the TrueSTEAM Humidifier the Claimant owned between January 1, 2008 and September 18, 2018. Reverse osmosis water filtration kits will be included with all Honeywell Steam Award Humidifiers.

Claimants must attest on the Claim Form that any Award Humidifier will be installed by a trained, experienced HVAC technician. Claimants electing the Award Humidifier option will be responsible for any installation labor costs charged by their HVAC technician and any other incidental expenses associated with the Award Humidifier. The Settlement Website hosted by the Settlement Administrator at www.truesteamclassaction.ca contains information regarding the installation requirements applicable to each type of Award Humidifier. Claimants should review this installation information in consultation with their HVAC technician in selecting the appropriate model.

Please Note: In the event any of the above-listed Award Humidifier models are no longer available at the time Award Humidifiers are shipped to Claimants, Honeywell will substitute the most equivalent model available at that time.

10. Cash Payment Option.

Instead of an Award Humidifier, Claimants may select the following Cash Payment, depending on the size of the TrueSTEAM Humidifier they owned between January 1, 2008 and September 18, 2018:

- \$40 (for TrueSTEAM 6-gallon Humidifiers, model HM506);
- \$45 (for TrueSTEAM 9-gallon Humidifiers, model HM509); or
- \$50 (for TrueSTEAM 12-gallon Humidifiers, model HM512).

HOW YOU GET BENEFITS—SUBMITTING A CLAIM

11. How can I get an Award Humidifier or Cash Payment?

To qualify, you must submit a Claim Form signed by you, along with any required supporting documents, which are described in Question 12 below and in the Claim Form.

Claim Forms and instructions for submitting them are available at www.truesteamclassaction.ca. Claim Forms and instructions for completing them can also be obtained by calling 1-800-403-3578 or emailing truesteam@ricepoint.com.

Read the instructions carefully, complete the Claim Form, include all the documents it asks for, sign it and submit it with the supporting documents postmarked no later than March 18, 2019, as explained in the Claim Form instructions.

12. What supporting documents am I required to submit with my Claim Form?

To establish eligibility for either a Cash Payment or Award Humidifier, you must submit one of the following with your Claim Form:

- A photograph of the side label on your TrueSTEAM Humidifier, which displays the bar code and serial number (see diagram on Claim Form);
- A receipt or invoice reflecting the purchase of your TrueSTEAM Humidifier; or
- Records of the installation, maintenance, service or repair of your TrueSTEAM Humidifier, which contain your name and/or address.

13. When would I get my Award Humidifier or Cash Payment?

The Court will hold a hearing at 10:00 a.m. on January 11, 2019 to decide whether to grant final approval to the Settlement (the “Final Approval Hearing”). If the judge approves the Settlement, any objecting Class Member has the right to file an appeal. Award Humidifiers and Cash Payments will be issued under the Settlement only after any appeals have been resolved in favor of the Settlement. Please be patient.

14. What am I giving up to stay in the Class?

Unless you opt out, you are a member of the Settlement Class, and that means that you cannot sue, continue to sue, or be part of any other lawsuit concerning Honeywell or other Released Parties related to TrueSTEAM Humidifiers. Personal injury claims are excluded. The Released Parties are: Honeywell and its administrators, insurers, reinsurers, agents, firms, parent companies/corporations, sister companies/corporations, subsidiaries, and affiliates; and all of the foregoing persons' or entities' respective predecessors, successors, assigns, and present and former officers, directors, shareholders, employees, agents, attorneys, and representatives.

Staying in the Class means that you will have the right to submit a Claim Form, and will also mean that you release all claims against the Released Parties that were or could have been asserted in this lawsuit or related lawsuits, or that assert fraud in the inducement of the Settlement Agreement, or are otherwise based on, on account of, or related to TrueSTEAM Humidifiers. Personal injury claims are excluded. Staying in the Class also means that all of the Court's orders will apply to you and legally bind you.

In addition, regardless of whether you submit a Claim Form, if you remain in the Class and either (i) still own a TrueSTEAM Humidifier, or (ii) elect to receive an Award Humidifier pursuant to this Settlement, you will retain certain rights under the TrueSTEAM Limited Warranty for the remainder of your Original Warranty Period, as specified in Section V of the Settlement Agreement (available at www.truesteamclassaction.ca, by emailing truesteam@ricepoint.com, or by calling 1-800-403-3578).

OPTING OUT OF THE SETTLEMENT

If you don't want to submit a Claim Form to receive an Award Humidifier or Cash Payment, and you want to keep the right to sue or continue to sue Honeywell (or any of the other Released Parties) in the future about a TrueSTEAM Humidifier then you must take steps to remove yourself from the Class. This process is sometimes called "opting out" of the Settlement Class. Failure to submit a Claim Form does not itself exclude you from the Class. Unless you opt out of the Class pursuant to the instructions below, you will remain a Class Member for purposes of this Settlement and will be bound by the releases and all the Court's orders as described under Question 14.

15. How do I get out of the Settlement?

To opt out of the Settlement, you must send a letter by mail saying clearly that you want to opt out and why. Be sure to include the case name and number, (*Tremblay v. Honeywell*, Alberta Court File No. 1401-11108), your name, address, telephone number, and your signature. You must mail your request postmarked no later than December 11, 2018 to Siskinds LLP at:

Siskinds LLP
100 Lombard Street, Suite 302
Toronto, Ontario M5C 1M3

Attention: Alex Dimson

You cannot opt out by phone or by email. If you ask to opt out, you will not get an Award Humidifier or Cash Payment and you cannot object to the Settlement. You will not be legally bound by anything that happens in this litigation. You may be able to sue (or continue to sue) Honeywell (or the other Released Parties) in the future, after the Settlement is finally approved.

16. If I don't opt out, can I sue Honeywell for the same thing later?

No. Unless you opt out, you give up any right to sue Honeywell and the other Released Parties for claims related to a TrueSTEAM Humidifier, except for personal injury claims. If you have a pending lawsuit, speak to your lawyer in that lawsuit immediately.

Remember, the exclusion deadline is December 11, 2018.

17. If I opt out, can I get an Award Humidifier or Cash Payment from this Settlement?

No. If you opt out, do not send in a Claim Form to ask for any benefits from this Settlement.

However, you may be able to sue, continue to sue, or be part of a different lawsuit against Honeywell in the future.

THE LAWYERS REPRESENTING YOU

18. Do I have a lawyer in this case?

The Class is represented by Siskinds LLP and Guardian Law Group LLP. You will not be charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

19. How will the lawyers and other expenses be paid?

Class Counsel will ask the Court for an award of attorneys' fees and expenses that will not exceed \$150,000, inclusive of disbursements and applicable taxes.

The amount of attorneys' fees and expenses awarded by the Court will neither reduce any of the benefits available to the Class if the full amount is awarded, nor increase the benefits available to the class if a lesser amount is awarded.

OBJECTING TO THE SETTLEMENT

If you are a Class Member and do not opt out, you can tell the Court that you don't agree with the Settlement, or some part of it, and request that the Settlement not be approved.

20. How do I tell the Court that I don't like the Settlement?

As a Class Member you have the right to object to this Settlement and you can provide the Court with the reasons why you think the Court should not approve it. The Court will consider your views. To be effective, any objection to the Settlement must be made pursuant to the Objection Form enclosed with the Class Notice, in writing, sent to the Siskinds LLP as detailed below, and must include:

- (i) the full caption of this case, *Tremblay v. Honeywell*, Alberta Court File No. 1401-11108;
- (ii) your full name, current address and telephone number;
- (iii) documentary proof that you owned a TrueSTEAM Humidifier between January 1, 2008 and September 18, 2018 in accordance with Question 12 above;
- (iv) all of your objections, the reasons for the objections, and any and all supporting papers, including, without limitation, all briefs, written evidence, and declarations; and
- (v) your signature and a declaration, with language similar to that included in the Claim Form, that you owned at least one TrueSTEAM Humidifier between January 1, 2008 and September 18, 2018. If you are represented by counsel, the objection must also be signed by the attorney who represents you.

You must mail your written objection to Siskinds LLP at:

Siskinds LLP
100 Lombard Street, Suite 302
Toronto, Ontario M5C 1M3
Attention: Alex Dimson

postmarked no later than December 11, 2018.

21. What is the difference between objecting and opting out?

Objecting is remaining a member of the Settlement Class but telling the Court that you do not like something about the Settlement. You can object only if you stay in the Class.

Opting out is telling the Court that you do not want to be part of the Class. If you opt out, you have no basis to object because the case no longer affects you.

THE COURT'S FINAL APPROVAL HEARING

The Court will hold a hearing to decide whether to give the Settlement Final Approval. You may attend personally or through your own lawyer, at your own expense, and you may ask to speak, but you don't have to do either.

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

The Court will hold a Final Approval Hearing at 10:00 a.m. on January 11, 2019 at the Alberta Court of Queen’s Bench, Calgary, Alberta. At this hearing the Court will consider whether the Settlement is fair, reasonable, and in the best interests of Class Members. If there are objections, the Court will consider them.

The judge will listen to people who have asked to speak at the hearing and who have complied with the requirements for submitting objections, as set forth in Question 20 above and Question 24 below. After the hearing, the Court will decide whether to approve the Settlement. It is unknown how long that decision will take.

23. Do I have to come to the hearing?

No. Class Counsel will answer questions the judge may have. However, you are welcome to come at your own expense. If you submit an objection, you do not have to come to Court to talk about it. As long as you submitted your objection on time in accordance with the procedures set forth in Question 20 above, the Court will consider it. You may also pay your own lawyer to attend, but it’s not necessary.

24. May I speak at the hearing?

You may ask the Court for permission to speak at the Final Approval Hearing, but only in connection with an objection that you have timely submitted following the procedure set forth in Question 20 above. You cannot speak at the Final Approval Hearing if you have opted out.

IF YOU DO NOTHING

If you do nothing, you will get no Award Humidifier and no Cash Payment from this Settlement. If you do not submit a Claim Form, your claim will not be considered. If you do not opt out, you will not be able to start a new lawsuit, continue with a lawsuit, or be part of any other lawsuit against Honeywell (or the other Released Parties) concerning TrueSTEAM Humidifiers ever again. Lawsuits for personal injuries are excluded.

GETTING MORE INFORMATION

25. Are there more details about the Settlement?

This notice summarizes the principal terms of the proposed Settlement. More details are in a Settlement Agreement. You can get a copy of the Settlement Agreement by visiting www.truesteamclassaction.ca, emailing truesteam@ricepoint.com, or by calling the Settlement Administrator toll-free at 1-800-403-3578.

You can also write to the Settlement Administrator at TrueSTEAM Humidifier Settlement, P.O. Box 4454, Toronto Station A, 25 The Esplanade, Toronto, Ontario, M5W 4B1, or visit the website at www.truesteamclassaction.ca, where you will find answers to common questions about the Settlement, online and downloadable versions of the Claim Form and instructions for submitting it, important documents filed in the litigation, plus other information to help you determine whether you are a Class Member and whether you are eligible for an Award Humidifier or Cash Payment.

Please note that as part of the process of obtaining final approval of this Settlement from the Court, it is possible that certain information or documents related to the Settlement could be updated or amended. You are encouraged to periodically visit the Settlement Website, www.truesteamclassaction.ca for any such updates, particularly following the date of the Final Approval Hearing on January 11, 2019.

PLEASE DO NOT CALL THE COURT FOR INFORMATION OR ADVICE