

**November 4, 2016**

**Hamilton, Ontario**

**407 ETR SETTLES CLASS ACTION LAWSUIT REGARDING  
BANKRUPTCY/PLATE DENIAL**

A class action lawsuit against 407 ETR regarding the use of Plate Denial against bankrupt individuals, has been settled.

407 ETR maintains its denial of any wrongdoing and has entered into the terms of settlement as a compromise, without admitting liability.

The class action lawsuit was issued in the Ontario Superior Court of Justice in Toronto on April 27, 2012.

The plaintiffs, Michael Dow, Gwendolyn Miron and Peter Teolis, brought the action on behalf of all persons who incurred tolls and/or additional charges to 407 ETR who subsequently became insolvent and who were subject to Plate Denial for pre-insolvency debt.

The *Highway 407 ETR Act* allows 407 ETR to notify the Registrar of Motor Vehicles to exercise Vehicle Permit Renewal Denial ("Plate Denial") against individuals who fail to pay their 407 ETR tolls and/or additional charges.

In a separate matter, one of the primary issues in the class action lawsuit was heard by the Ontario Court of Appeal in June, 2013 and then went to the Supreme Court of Canada. The Supreme Court of Canada found that section 22(4) of the *407 Act* is constitutionally inoperative to the extent that it is used to enforce a provable claim that has been discharged under the *BIA*. The Supreme Court of Canada decision was released November 13, 2015.

The settlement of the class action lawsuit sees 407 ETR change its practices so as to release from Plate Denial all individuals placed there for pre-insolvency debts; 407 ETR agreeing to no longer use Plate Denial against bankrupts going forward, and payment of approximately \$8,000,000.00 toward payment of legal fees and costs of administration with the remainder to be distributed to Eligible Class Members adversely affected by Plate Denial.

Each Eligible Class Member will receive a base payment of \$200.00, and may make a claim for additional compensation based upon consideration of the period of time that he/she was subject to Plate Denial while insolvent, and any amount paid to 407 ETR or the Registrar of Motor Vehicles toward pre-insolvency debt.

Claimants wishing to receive compensation must submit a claim form on or before March 27, 2017.

The settlement remains subject to court approval. A hearing will take place in Toronto on November 15, 2016 at 2:00 p.m.

If the settlement is approved by the court, Eligible Class Members will receive notice by mail, including a claim form.

Claim forms must be submitted to the lawyers who acted for the Class, Scarfone Hawkins LLP in Hamilton.

Scarfone Hawkins LLP has significant experience handling complex class action claims on behalf of plaintiffs.

Further information will be available on Class Counsel's website at [www.classactionlaw.ca](http://www.classactionlaw.ca), and on the website of 407 ETR at [www.407ETR.com](http://www.407ETR.com).

For more information contact David Thompson at Scarfone Hawkins LLP at [thompson@shlaw.ca](mailto:thompson@shlaw.ca) or 905-526-4382.