#### CANADA

PROVINCE OF QUÉBEC DISTRICT OF MONTREAL

No.: 500-06-001252-234

# SUPERIOR COURT

(Class Actions)

ALEX LAFRANCE, having their elected

Applicant

v.

**LENOVO (CANADA) INC.,** legal person having its head office at 400-1565 Ave Carling, Ottawa, Ontario, K1Z 8R1, Canada.

and

WAL-MART CANADA CORP., legal person having its head office at 1300-1969, Upper Water St. Purdy's Wharf Tower II, Halifax, Nova Scotia, B3J 2V1, Canada

and

**BEST BUY CANADA LTD.,** legal person having its head office at 1200 Waterfront Centre, 200 Burrard Street, Vancouver, British Columbia, V6C 3L6, Canada

Defendants

# APPLICATION FOR AUTHORIZATION TO INSTITUTE A CLASS ACTION AND APPOINT APPLICANT AS CLASS REPRESENTATIVE

(Art. 571 C.C.P. and following)

# TO ONE OF THE HONOURABLE JUSTICES OF THE SUPERIOR COURT, SITTING IN AND FOR THE DISTRICT OF MONTREAL YOUR APPLICANT STATES AS FOLLOWS:

#### **OVERVIEW**

- The Defendants represent that Lenovo Laptops are usually sold at a regular listed price and are being offered at a steep discount, often for a limited time. In practice however, Lenovo Laptops are rarely, if ever, sold at that undiscounted price and are instead almost always offered and sold at a so-called discount. Consumers are deceived into believing that the product they purchased is ordinarily offered at a higher price and has more value than it actually does.
- 2. The Applicant wishes to institute a class action on behalf of the following class:

All individual and legal persons in the province of Quebec who purchased one or more Lenovo Laptops from Lenovo, Walmart and/or Best Buy at a price lower than the represented Regular Price, including a subclass of consumers who purchased one or more Lenovo Laptops for their own personal use (the "Consumer Subclass") from the date Lenovo Laptops were first offered for sale in Quebec until the date that this action is authorized as a class action.

(The "Class", the "Class Members", and the "Class Period")

- 3. The "**Lenovo Laptops**" are laptops manufactured by Lenovo and sold by one of the Defendants accompanied by representations as to the Regular Price and/or the Discount Value alongside the Discount Price. The Defendants' use of a Regular Price, a Discount Price and a Discount Value (defined below) in their sales representations is deceptive as these prices diverge from the reality of the market value of these products.
  - a. The **Regular Price** is the alleged undiscounted market price, exclusive of tax and add-ons, at which the Defendants claim the Lenovo laptops are ordinarily sold. Often described by Lenovo as the "estimated value", the Regular Price always exceeds the Discount Price. To indicate that the Lenovo laptops are not being offered at the Regular Price, the Regular Price is usually struck through with a line in sales representations.
  - b. The **Discount Price** is the price, exclusive of tax and add-ons, at which the Defendants offer the Lenovo laptops for sale to consumers.
  - c. The **Discount Value** is the dollar amount that the Defendants represent consumers ill save by purchasing one of the Lenovo laptops at the Discount Price compared to purchasing either one of the Lenovo laptops at the Regular Price, or the same or a similar laptop from another seller.
- 4. The Defendants engaged in a prohibited business practice contrary to s 225, or alternatively ss 219 and/or 228, of the Quebec Consumer Protection Act, c. P-40.1 (the "CPA"), and they breached s 52(1) of the Competition Act, R.S.C., 1985, c. C-34 (the "Competition Act") by knowingly or recklessly:
  - a. omitting to inform customers of the important fact that the Discount Price was a price that they regularly sell their Lenovo Laptops for and that the Regular Price was not the price at which they ordinarily offered to sell their Lenovo Laptops for;
  - b. indicating a Discount Price, or reduction price, on Lenovo Laptops, when this supposed 'sales' price is in actual practice the price at which the Lenovo Laptops are ordinarily sold, the Defendants have falsely indicated a price reduction;
  - c. indicating the Regular Price, or the reference price, on Lenovo Laptops, when this supposed 'original' price is in actual practice not the price at which the Lenovo

Laptops are ordinarily sold, the Defendants have falsely indicated a reference price;

- d. indicating a Discount Value on Lenovo Laptops when in actual practice there is no sale because the product is ordinarily offered at a discount, the Defendants have misled the consumers by letting them believe that the price of the Lenovo Laptops is advantageous; and/or
- e. offering the Lenovo Laptops at a Discount Price for a substantial period of time recently before or immediately after making the sales representation to Quebec customers, the Defendants have deceived customers by letting them believe that the Discount Price offered provided them with a discount when in actual practice it represents the ordinary price at which this product is sold.
- 5. The Applicant seeks: (i) an aggregate amount for compensatory damages under the *CPA* and s 36 of the *Competition Act*; (ii) a reduction of his and the Class Members' obligations equivalent to a portion of the amount gained by the Defendants as a result of their faults; and (iii) an aggregate amount for punitive damages under s 272 of the *CPA*.

#### FACTS GIVING RISE TO APPLICANT'S PERSONAL CLAIM

6. The facts on which the Applicant's personal claim against the Defendants is based are as follows:

#### Defendants

- 7. The Defendant Lenovo (Canada) Inc. ("Lenovo") is a Canadian company with an establishment in the province of Quebec, which, during the Class Period, manufactured various types of Lenovo Laptops, including, among possible others unknown to the Plaintiff at this time, Lenovo ThinkPad, Lenovo ThinkBook, Lenovo Yoga, Lenovo Legion, Lenovo LOQ, Lenovo IdeaPad, and Lenovo Slim, and marketed and sold them through its Canadian website (www.lenovo.com/ca/) in the province of Quebec, as is set out in the copy of the Quebec Business Registry information disclosed herewith as Exhibit P-1, and on the screenshot of the Lenovo website disclosed herewith as Exhibit P-2.
- 8. The Defendant Wal-Mart Canada Corp. ("Walmart") is a Nova Scotian company, which, during the Class Period, marketed and sold various types of Lenovo Laptops, including, among possible others unknown to the Plaintiff at this time, Lenovo ThinkPad, Lenovo IdeaPad, Lenovo Legion, through their Canadian website (<u>www.walmart.ca</u>) as well as through their establishments located in the province of Quebec, as is set out in the copy of the Quebec Business Registry information disclosed herewith as Exhibit P-3, and on the screenshot of the Walmart website disclosed herewith as Exhibit P-4.
- 9. The Defendant Best Buy Canada Ltd. ("Best Buy") is a Canadian company with establishments in the province of Quebec, which, during the Class Period, marketed and sold various types of Lenovo Laptops, including among possible others unknown to the Plaintiff at this time, Lenovo IdeaPad, Lenovo Legion, Lenovo LOQ, Lenovo ThinkPad, through their Canadian website (www.bestbuy.ca/en-ca/) as well as through their establishments located in the province of Quebec, as is set out in the copy of the Quebec

Business Registry information disclosed herewith as **Exhibit P-5**, and on the screenshot of the Best Buy website disclosed herewith as **Exhibit P-6**.

- 10. As the Defendants are legal persons engaging in a business activity, manufacturing, marketing and selling Lenovo laptops, with the interest of obtaining a profit, Lenovo, Walmart and Best Buy are all merchants as defined by ss 1 and 2 of the *CPA*.
- 11. The unique part or model number displayed alongside the name and image of each of the Lenovo Laptops are the "**Model Numbers**".

#### The Defendants' Representations about the Price of Lenovo Laptops

12. On their respective websites, the Defendants each represent a Regular Price and/or a Discount Value for each of the Lenovo Laptops offered for sale.

#### Lenovo's Website

13. Lenovo refers to the Regular Price of the Lenovo Laptops sold through www.lenovo.com/ca/ as the "**Est Value**". The definition of the Est Value is accessed by clicking a button next to the Est Value, which states:

Estimated value is Lenovo's estimate of product value based on industry data, including the prices at which Lenovo and/or third-party retailers and e-tailers have offered or valued the same or comparable products. Third-party data may not be based on actual sales.

- 14. The Discount Value and the percentage reduction that the Discount Price represents from the Regular Price (the "**Discount Percentage**") are also displayed.
- 15. Below is an image of a Lenovo Laptop (Model Number 21CB000JUS) for sale on Lenovo's website. The Discount Price (\$2,329.99), the Regular Price (\$4,679.00), the Discount Value (\$2,349.01) and the Discount Percentage (50% off) are each displayed, as is also seen on the copy of the Print Screen of the website page disclosed in support of this Application as **Exhibit P-7, TAB A**.



The Discount Value (red) and the Regular Price (blue) are each displayed once.

16. Once a customer clicks "Add To Cart", the eCoupon is applied and the amount the customer is saving through the eCoupon, which is the Discount Value, is displayed. The Discount Value and the Regular Price are each shown twice on this webpage, as appears on the copy of the print screen taken of the webpage and disclosed in support of this Application as Exhibit P-7, TAB B.

Save \$2,349.01 (50%) Est Value (0) <b>\$4,679.00</b> <b>\$2,329.99</b>	
¢∠,3∠7.77 eCoupon Savings:	-\$2,349.01
Use eCoupon THINKPADCLEA	RANCE202
Delivery FREE Standard FREE by Thu, Jul 13 Delivery options for 2750	
Earn \$139 in Rewards Jo	in Now!
Your Model	e
Selected Base System	\$2.329.99 \$4,679.00
Your Add-Ons	
Skip to C	art

The Discount Value (red) and the Regular Price (blue) are each displayed twice.

17. The customer next has the option of purchasing add-ons or selecting "Skip to Cart". When a customer is shown the product(s) in their cart, the Discount Value is displayed four separate times and the Regular Price and Discount Percentage are each displayed once, as appears in the copy of the print screen and the copy of the screen shot taken of the webpage and disclosed in support of this Application as Exhibit P-7, TAB C and P-7 TAB D.

	Nonthly Subscription - Individual	FREE	SubTotal	\$4,689.99
Plan Free Trial Part Number RR00125298		\$43.96 Value. New subscribers only. \$10.99/month after 4 months free trial	eCoupon Savings	-\$2,349.01
Part Number RR00125296		\$10.77/monthater 4 months nee that	Shipping	FREE
amazon	SFREE GIFT Activation Required		Estimated total:	\$2,329.99
			You Are Saving	\$2,360.00
music			*Your order contains Subscription P	roducts.
		Remove	Proceed to	Checkout
ThinkPad X1 Carbon Gen 1	0 Intel (14") - Black	\$2,329.99		
Part Number 21CB000JUS		Savings: \$2,349,01 (50%)	Have an eCoupon or disco	unt2
		eCouponApplied THINKPADCLEARANCE202	nave an ecoupon of disco	unc. O
	Delivery FREE Standard Delivery: Ships FREE by Thu, Jul 13 <u>Delivery options for 27502</u>		Enter eCoupon Code	
E Marine Contraction	⊡ 1 ⊕		Apply	
	View/Edit Specs 🗸	Save for Later   Remove	eCoupons Applied:	
Customers Who Bough	at the Items in Your Cart Also Bought:		THINKPADCLEARANCE2	0 -\$2,349.01

The Discount Value (red) is displayed four times and the Regular Price (blue) is displayed once.

18. After clicking "Proceed to Checkout", a customer has the option to check out as a guest or to sign in and check out. On the checkout page, the Discount Value and the Regular Price are again displayed, as appears on the copy of the print screen and the copy of the screen shot of the webpage, disclosed in support of this Application as Exhibit P-7, TAB E and P-7, TAB F.

Earn 3%-9% in po	Order Summary			
		Subtotal	\$4,689.99	
<ol> <li>Shipping &amp; Delivery ①</li> </ol>	Shipping & Delivery			
Shipping Address Sign in for faster ch	reckout.	Shipping	FREE	
		Estimate Total	\$2,329.99	
First Name *	Last Name *	You Are Saving	\$2,360.00	
Address-Start typing your address then se	elect from the dropdown *	Q Place 1	four Order	

The Discount Value (red) is displayed twice and the Regular Price (blue) is displayed once.

19. In total, the Discount Value is displayed on Lenovo's website nine times and the Regular Price is displayed five times before the purchase is made.

#### Best Buy's Website

20. When a customer is first shown one of the Lenovo Laptops (Model Number 20XY00BBUS), both the Discount Price and the Discount Value are displayed below the

Lenovo Laptops' name and image, as appears on the copy of the print screen of the webpage disclosed in support of this Application as **Exhibit P-8, TAB A**.



The Discount Value (red) is displayed once.

21. Once a customer selects one of the Lenovo Laptops, they are taken to a webpage where the Discount Value is again displayed, as appears on the copy of the print screen of the "After Selection" webpage disclosed in support of this Application as Exhibit P-8, TAB B.



The Discount Value (red) is displayed once.

22. When a customer selects "Add to Cart", the Discount Value is displayed twice and the Regular Price is displayed once, as seen on the copy of the print screen of the "Add to Cart" webpage disclosed in support of the Application as **Exhibit P-8, TAB C**.

Sold and shipped	d by Lenovo Canada Lenovo ThinkPad X1 Yoga Gen 6 Intel Laptop, 14.0" IPS Touch ePrivacy Filter, i7-1165G7, Iris Xe, 16GB, 512GB, Win 11 Pro ✓ Available online only Marketplace seller ① 1 ④ II ④ II ④ II ● II ● I	Top Deal       It'll help us estimate shi         [SAVE \$3,019]       Change Postal Code         \$1,619.99       V6G         Plus \$0.80 EHF       Order Summary         Product Subtotal       Order Discounts         Estimated Shipping		Search	
	Product Total	\$1,619.99	Environmental Handling Fees Estimated Taxes	\$0.80 \$194.50	
Your Saved Iter	<b>NS</b> (0 items)		Estimated Total	\$1,815.29	

The Discount Value (red) is displayed twice and the Regular Price (blue) is displayed once.

23. At checkout, the Discount Value and the Regular Price are again displayed, as appears on the copy of the print screen of the "Checkout" page disclosed in support of this Application as **Exhibit P-8, TAB D**.

\$4.639.00
-\$3,019.01
Free
\$0.80
\$194.50
\$1,815.29

The Discount Value (red) and the Regular Price (blue) are each displayed once.

24. In total, the value of the Discount Value is displayed on Best Buy's website five times and the Regular Price is displayed twice before the purchase is made.

#### Walmart's Website

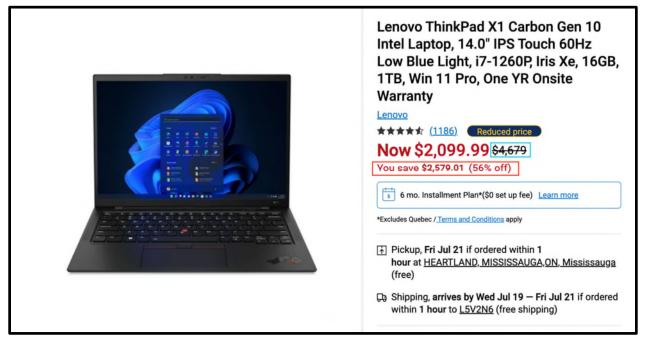
25. When a customer is first shown one of the Lenovo Laptops, both the Discount Price and the Regular Price are displayed below the Lenovo Laptop's image and description, see

the below photo of the Model Number 21CB000JUS, as appears on the copy of the print screen disclosed in support of this Application as **Exhibit P-9, TAB A**.

Reduc	ed price
	o ThinkPad X1 Carbon
Gen 10	) Intel Laptop, 14.0"
***	<b>* 1</b> (1186)
\$2,09	99.99 <del>\$4,679</del>
Online	only
Add	to cart

The Regular Price (blue) is displayed once.

26. A customer has the option of adding the Lenovo Laptop to their cart or clicking on the product. When the customer clicks on the Lenovo Laptop, they are brought to a separate webpage where the Regular Price is displayed again and the Discount Value is displayed, as appears on the print screen of the "Selecting the Laptop" webpage disclosed in support of this Application as Exhibit P-9, TAB B.



The Discount Value (red) and the Regular Price (blue) are displayed once.

27. When a customer selects "Add to cart", a window pops up advising them that their cart has been updated. The Regular Price is again displayed on this popup, as appears on the copy of the print screen of the webpage disclosed in support of this Application as Exhibit P-9, TAB C.

<u>e</u>	Lenovo ThinkPad X1 Carbon Gen 10 Intel Laptop, 14.0" IPS Touch 60Hz Low Blue Light, i7-1260P, Iris Xe, 16GB, 1TB, Win 11 Pro, One YR Onsite Warranty	Subtotal: \$2,099.99 1 item Checkout
	★★★★	Continue Shopping

The Regular Price (blue) is displayed once.

28. Upon selecting "Checkout", the customer is brought to their cart where the Regular Price and the Discount Value are displayed, as appears on the copy of the print screen of the webpage disclosed in support of this Application as **Exhibit P-9, TAB D**.

	Available to ship, arrives: Jul 19 - Jul 21			×Remove	Estimated total	\$2,372.99
	Lenovo ThinkPad X1 Carbon Gen 10 Intel Laptop, 14.0" IPS Touch 60Hz Low Blue Light, i7- 1260P, Iris Xe, 16GB, 1TB, Win 11 Pro, One YR Onsite Warranty	Quantity:	1	\$2,099.99 + \$4,679 You save \$2579.01	Applied discounts Subtotal after discounts Lenovo (Canada) Inc. shipping 13% HST	<u>-\$2,579.01</u> \$2,099.99 FREE \$273.00
Sold & Shippe	ed by Lenovo (Canada) Inc.			1 item	Subtotal	\$4,679.00
Your Shoppir	ng Cart			1 item	Costs based on L5V2N6: ZEdit	

The Discount Value (red) is displayed three times and the Regular Price (blue) is displayed twice.

29. At checkout, the Regular Price is again displayed, as appears from the print screen of the "Checkout" webpage disclosed in support of the Application as **Exhibit P-9, TAB E**.

View cart
\$4,679.00
-\$2,579.01
\$2,099.99
FREE
\$273.00
Apply
\$2,372.99

The Discount Value (red) is displayed twice and the Regular Price (blue) is displayed once.

30. In total, the value of the Discount Value is displayed on Walmart's website once and the Regular Price is displayed six times before the purchase is made.

## The Defendants Misrepresent the Regular Price as a Discount Price

- 31. Data retrieved from the Defendants' websites over the past year demonstrates that the Lenovo Laptops were sold at a so-called "Discount Price" the majority of the time.
- 32. In fact, on Lenovo's website, between June 15, 2023, and July 15, 2023, five specific Lenovo Laptops were only offered for their Discount Price, and never for the Regular Price, or estimated value, as set out in the summary below and corroborated by the screenshots of the Defendants' websites disclosed herewith as **Exhibit P-10**:
  - a. the Regular Price of ThinkPad X1 Carbon Gen 10 Intel (14") Black (21CBTOWWCA1 Model) was represented as \$3,079.00, however it was never offered for sale at this price; it was only ever for sale at its Discount Price, which varied between \$1,539.50 and \$1,693.45;
  - b. the Regular Price of ThinkPad X1 Carbon Gan 10 Intel (14") with Linux (21CBCTOWWCA2 Model) was represented as \$2,979.00, however it was never offered for sale at this price; it was only ever offered for sale at its Discount Price, which varied between \$1,489.50 and \$1,638.45;
  - c. the Regular Price of ThinkPad X1 Carbon Gen 10 Intel (14") Black (21CB000HUS Model) was represented as \$3,959.00, however it was never offered for sale at this price; it was only ever offered for sale at its Discount Price, which varied between \$1,781.00 and \$1,899.99;
  - d. the Regular Price of ThinkPad X1 Carbon Gen 10 Intel (14") Black (21CB000FUS Model) was represented as \$4,909.00, however it was never offered for sale at this price; it was only ever offered for sale at its Discount Price, which varied between \$2,209.05 and \$2,449.99; and

- e. the Regular Price of ThinkPad X1 Carbon Gen 10 Intel (14") Black (21CB000JUS Model) was represented as \$4,679.00, however it was never offered for sale at this price; it was only ever offered for sale at its Discount Price, which varied between \$2,105.00 and \$2,329.99.
- 33. The defendants Best Buy and Walmart represented highly similar pricing practices on their respective websites during a two week time period in July 2023.
- 34. On Wal-Mart's website, between June 30, 2023 and July 15, 2023, two Lenovo Laptops were only offered for their Discount Price, and never for the Regular Price or estimated value, as set out in the summary below and corroborated by the screenshots of the Defendants' websites disclosed herewith as **Exhibit P-11**:
  - a. the Regular Price of ThinkPad P14s Gen 3 Intel Laptop (Model number 21AK0043US) was represented as \$3,439.00, however it was never offered for sale at this price; it was only ever offered for sale at its Discount Price, which varied between \$1,199.00 and \$1,379.00; and
  - b. the Regular Price of ThinkPad P15v Gen 3 AMD Laptop (Model number 21EM0034US) was represented at \$3,789.00, however it was never offered for sale at this price; it was only ever offered for sale at its Discount Price, which varied between \$1,519.00 and \$1,889.00.
- 35. On Best Buy's website, between June 30, 2023 and July 15, 2023, two Lenovo Laptops were only offered for their Discount Price, and never for the Regular Price or estimated value, as set out in the summary below and corroborated by the screenshots of the Defendants' websites disclosed herewith as **Exhibit P-12**:
  - a. the Regular Price of the ThinkPad X1 Titanium Yoga Intel Laptop (Model number 20QA008US) was represented at \$2,418.99, however it was never offered for sale at this price; it was only ever offered for sale at the Discount Price, which varied between \$929.00 and \$939.99; and
  - b. the Regular Price of Thinkpad X1 Yoga Gen 6 Intel Laptop 14" (Model number 20XY00BBUS) was represented at \$4,638.99, however it was never offered for sale at this price; it was only ever offered for sale at the Discount Price, which was \$1,619.99.
- 36. Since July 20, 2022, the Lenovo laptops were sold on the Lenovo website at regular price far less than 50% of the time, as appears on the pricing data recorded daily between July 20, 2022 and July 18, 2023 disclosed in support of this Application as **Exhibit P-13**.
- 37. These Lanovo Laptops were always or almost always sold at the Discount Price. Because the Lenovo Laptops are offered for sale at the Regular Price so infrequently, the significant majority of the sales volume is at the Discount Price.
- 38. For example, an approximate summary of the sales price representations made for the "21E3008SUS Model", the "21CB000GUS Model" and the "21CB000JUS Model" between July 20, 2022 through July 18, 2023 is displayed in Table 1.

#### Table 1

Model Number	Estimated Value	Average Discount Price	Time Sold at Regular Price (%)
21E3008SUS	\$2,159	\$1,382.03	15.4%
21CB000GUS	\$4,309	\$2,619.37	13.6%
21CB000JUS	\$4,679	\$2,700.69	12.9%

- 39. From July 20, 2022, through July 18, 2023, the 21E3008SUS Model, the 21CB000GUS Model and the 21CB000JUS Model have only been listed at a price equal to or greater than the Regular Price of these models approximately 15.4%, 13.6% and 12.9% of the time, respectively. In other words, these models are sold at prices lower than the Regular Price approximately 84.6%, 86.40% and 87.1% of the time, respectively.
- 40. This pricing practice applies to most models, and therefore is likely not exclusive to particular models but is rather a standard practice applied to all of the Lenovo Laptops.
- 41. The practices on the Lenovo website are also represented on the Walmart and the Best Buy websites, as shown by the observed data summarized above in paragraphs 34 and 35.
- 42. Accordingly, the Regular Price that the Defendants Lenovo, Walmart, Best Buy indicate on their websites for the Lenovo Laptops, is a false and misleading representation of the price at which Lenovo Laptops are regularly sold.
- 43. As a result, the Discount Value purportedly accrued by purchasing the Lenovo Laptops at the Discount Price is illusory and the Discount Price purportedly offered to the customer is also illusory.
- 44. In actual practice, and as set out by the data tracked since July 20, 2022, above, Lenovo Laptop had a lower market value such that the representations made were false and misleading.
- 45. By omitting to inform customers of the important fact that the Discount Price was a price that they regularly sell their Lenovo Laptops for and that the Regular Price was not the price that they regularly sell their Lenovo Laptops for, the Defendants' have committed a fault.
- 46. By falsely indicating a Discount Price on Lenovo Laptops when this so-called reduced price was actually the price used a significant majority of the time, and by falsely indicating the so-called "original" price when this is not in reality the Regular Price for which the Lenovo Laptops are sold regularly, the Defendants conduct amount to a falsely indicated price reduction and regular price.

- 47. Because of the Defendants' conduct of falsely indicating a price reduction and a regular price, the Defendants' conduct also misled the customers by letting them believe that the price of Lenovo laptops was advantageous.
- 48. By offering the Lenovo Laptops at a Discount Price for a substantial period of time recently before or immediately after making the sales representation to Quebec customers, the Defendants have deceived customers by letting them believe that the Discount Price offered provided them with a discount when in reality it represents the ordinary price at which this product is sold.
- 49. In sum, the Defendants' above-described conduct amounts to prohibited business practices as described in the *CPA* as well as false and deceptive marketing practices as defined in the *Competition Act.*

#### Applicant's Individual Claim

- 50. The Applicant, Alexandre Lafrance, purchased a Lenovo Laptop, model number 21AT000UUS, for his own personal use, from the Lenovo website for \$1,120.00, excluding taxes, during the Class Period, as set out by the copy of the purchase receipt disclosed herein as **Exhibit P-14**.
- 51. As a physical person who acquired a Lenovo Laptop for their own personal use, the Applicant is a consumer under the definition provided by section 1e) of the *CPA*.
- 52. When the Applicant purchased his Lenovo laptop (ThinkBook 13x Gen 2 Intel (13"), model number 21AT000UUS, the product was advertised with a Regular Price, a Discount Value and a Discount Price, as seen in the copy of the order summary reproduced below:

ITEM	DELIVERY	QTY	TOTAL PRICE
P ThinkBook 13x Gen 2 Intel (13") 21AT000UUS	Standard	1	\$1,120.00
Billing Details: Shipping Details:		on Saving BOOKD Shippir GS	al: \$2,759.00 gs -\$1,639.00 EAL g: FREE T: \$56.00 T: \$111.72

The Regular Price (blue) is represented at \$2,759.00, the Discount Value (red) is represented at \$1,639.00 and the Discount Price (green) is represented at \$1,120.00.

53. In addition, when he purchased his Lenovo Laptop on May 7, 2023, the Applicant was aware there was both an advertised Regular Price and a Discount Price, for which he was offered and subsequently purchased his Lenovo Laptop.

- 54. Therefore, the Applicant purchased the product under the represented pretense that he was obtaining the Lenovo laptop for a Discount Price.
- 55. Considering the evidence of the representations made on the Defendants' websites since July 20, 2022 and the observations of the widespread pricing practice impacting a large number of their laptop models, the Applicant purchased his laptop for a falsely indicated Discount Price and that this price is the typical price for which this laptop (model number 21AT000UUS) is sold.

#### FACTS GIVING RISE TO CLAIMS HELD BY CLASS MEMBERS

- 56. The facts that give rise to the personal claim of the Applicant are the same as each personal claim belonging to members of the class against the Defendants.
- 57. Each class member has purchased a Lenovo Laptop about which the Defendants made false and misleading representations regarding the price of the product, notably the Regular Price, the Discount Price and the Discount Value.
- 58. Each class member was exposed to these representations, either because they accessed the Defendants' websites, or because these representations were part of the mass distributed messages, or because these representations were found on the packaging itself.
- 59. Class Members, as credulous and inexperienced consumers with rights under the *CPA*, were each subjected to the Defendants' ignorance, carelessness, or serious negligence with respect to the obligations they owe to consumers.

#### IDENTICAL, SIMILAR OR RELATED QUESTIONS OF FACT OR LAW

- 60. The conclusions sought by each class member are the same and raise identical, similar or related questions of fact and law, namely:
  - a. Did the Defendants fail in their duty to fulfil their obligations imposed on them by the *Consumer Protection Act*, notably ss 219, 225 and/or 228?
  - b. Do the Class Members suffer harm as a result of the Defendant's conduct?
  - c. Are the Class Members entitled to claim compensatory and/or punitive damages from the Defendants under s 272 of the *Consumer Protection Act*, and if so, what amounts of such damages are they entitled to recover? Alternatively, are Class Members entitled to a reduction of the sales price of their Lenovo laptop during the Class Period in an amount to be determined?
  - d. Did the Defendants' breach s 52(1) of the *Competition Act*? If so, are the Class members entitled to damages under s 36 of the *Competition Act* and in what amount?

#### COMPOSITION OF CLASS MAKES RULES OF MANDATE IMPRACTICAL

- 61. The composition of the class makes it difficult and/or impractical to apply the rules of mandates to take part in judicial proceedings on behalf of others for consolidation of proceedings pursuant to articles 59 or 67 C.C.P.
- 62. The number of individual and legal persons who have purchased Lenovo Laptops impacted by the false and misleading price advertisements over the last three years appears to be in the thousands within the province of Quebec.
- 63. It is impossible to know the exact number or identity of each of these customers who purchased a Lenovo Laptop.
- 64. Without a class action, each Class Member would be unable to bring an individual claim as the cost of prosecuting an individual claim would disproportionately exceed the amount sought by each Class Member against the Defendants.
- 65. In addition, it is reasonable to infer that without a class action procedure, the Defendants' conduct would likely continue.
- 66. Considering the above, it would be impossible for the Applicant to retrace and contact every Class Member to seek a joinder or a mandate of all their claims.

#### PROPOSED CLASS REPRESENTATIVE

- 67. The Applicant seeks to be appointed the status of representative Applicant for the following reasons:
- 68. The Applicant is a class member and has a personal interest in seeking the conclusions sought.
- 69. The Applicant has the time, energy, will and determination to assume and perform the duties incumbent upon him that are required to carry out the proposed class action.
- 70. The Applicant acts in good faith with the only goal in accessing justice and the relief sought for themselves and for the other class members.
- 71. The Applicant does not have any circumstances that would put them in conflict with the other members of the class.

#### NATURE OF THE CLASS ACTION & CONCLUSIONS SOUGHT

72. The nature of the action the Applicant intends to bring on behalf of the class members is an action in reduction of correlative obligation, in damages (compensatory and punitive) based on the *CPA* and the *Competition Act*.

#### **CONCLUSIONS SOUGHT**

- 73. The conclusions that the Applicant wishes to introduce by way of an originating application are:
  - a. **GRANT** the Plaintiff's action.
  - b. **ORDER** the Defendants cease the current conduct in their future representations as to the Regular Price, Discount Price and Discount Value assigned to each of the Lenovo laptops.
  - c. **ORDER** the Defendants to pay the Class Members damages in an amount to be determined by the Court with interest at the legal rate, plus the indemnity provided for by law in accordance with article 1619 of the *Civil Code of Quebec*, from the date of service of the *Application for Authorization to institute a class action and to obtain the status of class representative.*
  - d. **ORDER** each Defendant to pay punitive damages to the Class Members in an amount to be determined;
  - e. **ORDER** that the Defendants pay the cost of these legal proceedings engaged as a result of their conduct, including the costs of investigation and prosecution of this proceeding pursuant to section 36 of the *Competition Act*;
  - f. **ORDER** the collective recovery of the Class Members' claims;
  - g. **RENDER** any other order that this Honourable Court shall determine and that is in the interest of the members of the Class;
  - h. **THE WHOLE WITH** costs, including all expert fees, notice fees, and expenses of the administrator, if any.

#### FOR THESE REASONS, MAY IT PLEASE THE COURT:

**GRANT** the present application;

**AUTHORIZE** the bringing of a class action in the form of an originating application in specific performance and in damages;

**APPOINT** the Applicant, Alex Lafrance, the status of Representative Applicant of the persons included in the Class herein described as follows:

All individual and legal persons in the province of Quebec who purchased one or more Lenovo Laptops from Lenovo, Walmart and/or Best Buy at a price lower than the represented Regular Price, including a subclass of consumers who purchased one or more Lenovo Laptops for their own personal use (the "Consumer Subclass") from the date Lenovo Laptops were first offered for sale in Quebec until the date that this action is authorized as a class action. **IDENTIFY** the principle questions of fact and law to be treated collectively as the following:

- a. Did the Defendants fail in their duty to fulfil their obligations imposed on them by the *Consumer Protection Act*, notably s 219, 225 and/or 228?
- b. Do the Class Members suffer harm as a result of the Defendant's conduct?
- c. Are the Class Members entitled to claim compensatory and/or punitive damages from the Defendants under s 272 of the *Consumer Protection Act*, and, if so, what amounts of such damages are they entitled to recover? Alternatively, are Class Members entitled to a reduction of the sales price of their Lenovo laptop during the Class P in an amount to be determined?
- d. Did the Defendants breach s 52(1) of the *Competition Act*? If so, are the Class members entitled to damages under s 36 of the *Competition Act* and in what amount?

**IDENTIFY** as follows the conclusions sought by the class action in relation thereof:

**GRANT** the Plaintiff's action;

**ORDER** the Defendants cease the current conduct in their future sales representations of Lenovo laptops;

**ORDER** the Defendant to pay the Class Members damages in an amount to be determined by the Court with interest at the legal rate, plus the indemnity provided for by law in accordance with article 1619 of the *Civil Code of Quebec*, from the date of service of the *Application for Authorization to institute a class action and to obtain the status of class representative;* 

**ORDER** each Defendant to pay punitive damages to the Class Members in an amount to be determined;

**ORDER** that the Defendants pay the cost of these legal proceedings engaged as a result of their conduct;

**ORDER** the collective recovery of the Class Members' claims;

**RENDER** any other order that this Honourable Court shall determine and that is in the interest of the members of the Class;

**THE WHOLE WITH** costs, including all expert fees, notice fees, and expenses of the administrator, if any.

**DECLARE** that any member who has not requested his exclusion from the class be bound by any judgment to be rendered on the class action, in accordance with law;

**FIX** the delay for exclusion from the Class at 60 days from the date of notice to the Class and after the expiry of such delay the members of the class who have not requested exclusion be bound by any such judgment;

**ORDER** the publication of a notice to the members of the Class according to the terms to be determined by the Court;

**REFER** the record to the Chief Justice so that he may fix the district in which the class action is to be brought and the judge before whom it will be heard and In the event that the class action is to be brought in another district, that the clerk of this Court be ordered, upon receiving the decision of the Chief Justice, to transmit the present record to the clerk of the district designated.

**THE WHOLE** with legal costs, including the cost of all notices.

Montréal, July 21, 2023

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SLATER VECCHIO LLP

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## SUMMONS

#### (Articles 145 and following CCP)

#### Filing of a judicial application

Take notice that the Applicant has filed this Application for Authorization to Institute a Class Action and to Appoint the Status of Representative Plaintiff in the office of the Superior Court in the judicial district of Montreal.

## Exhibits supporting the application

In support of the *Application for authorization to Institute a Class Action,* the Applicant relies on the following exhibits:

Exhibit P-1:	Copy of the Lenovo Quebec Business Registry
Exhibit P-2:	Corporate Activities – Screenshot of the Lenovo Website
Exhibit P-3	Copy of the Walmart Quebec Business Registry
Exhibit P-4	Corporate Activities – Screenshot of the Walmart Website
Exhibit P-5	Copy of the Best Buy Quebec Business Registry
Exhibit P-6	Corporate Activities - Screenshot of Best Buy Website
Exhibit P-7	Lenovo Website Print Screens of Purchasing Process
Exhibit P-8	Best Buy Website Print Screens of Purchasing Process
Exhibit P-9	Walmart Website Print Screens of Purchasing Process
Exhibit P-10	Lenovo Website – Sales Misrepresentations
Exhibit P-11	Walmart Website – Sales Misrepresentations
Exhibit P-12	Best Buy Website – Sales Misrepresentations
Exhibit P-13	Sworn Declaration of Sean Tweed
Exhibit P-14	Copy of Alexandre Lafrance Purchase Receipt

The exhibits in support of the application are available upon request.

## Defendants' answer

You must answer the application in writing, personally or through a lawyer, at the courthouse of Montreal situated at 1 Rue Notre-Dame Est, Montreal, Québec, H2Y 186, within 15 days of service of the Application or, if you have no domicile, residence or establishment in Québec, within 30

days. The answer must be notified to the Applicant's lawyer or, if the Applicant is not represented, to the Applicant.

#### Failure to answer

If you fail to answer within the time limit of 15 or 30 days, as applicable, a default judgement may be rendered against you without further notice and you may, according to the circumstances, be required to pay the legal costs.

#### Content of answer

In your answer, you must state your intention to:

- negotiate a settlement;
- propose mediation to resolve the dispute;
- defend the application and, in the case required by the Code, cooperate with the Applicant in preparing the case protocol that is to govern the conduct of the proceeding. The protocol must be filed with the court office in the district specified above within 45 days after service of the summons or, in family matters or if you have no domicile, residence or establishment in Québec, within 3 months after service;
- propose a settlement conference.

The answer to the summons must include your contact information and, if you are represented by a lawyer, the lawyer's name and contact information.

## Change of judicial district

You may ask the court to refer the originating Application to the district of your domicile or residence, or of your elected domicile or the district designated by an agreement with the plaintiff.

If the application pertains to an employment contract, consumer contract or insurance contract, or to the exercise of a hypothecary right on an immovable serving as your main residence, and if you are the employee, consumer, insured person, beneficiary of the insurance contract or hypothecary debtor, you may ask for a referral to the district of your domicile or residence or the district where the immovable is situated or the loss occurred. The request must be filed with the special clerk of the district of territorial jurisdiction after it has been notified to the other parties and to the office of the court already seized of the originating application.

## Transfer of application to Small Claims Division

If you qualify to act as a plaintiff under the rules governing the recovery of small claims, you may also contact the clerk of the court to request that the application be processed according to those rules. If you make this request, the plaintiff's legal costs will not exceed those prescribed for the recovery of small claims.

#### Calling to a case management conference

Within 20 days after the case protocol mentioned above is files, the court may call you to a case management conference to ensure the orderly progress of the proceeding. Failing this, the protocol is presumed to be accepted.

#### Notice of presentation of an application

If the application is an application in the course of a proceeding or an application under Book III, V, excepting an application in family matters mentioned in article 409, or VI of the Code, the establishment of a case protocol is not required; however, the application must be accompanied by a notice stating the date and time it is to be presented.

Montréal, July 21, 2023

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#### TO:

**LENOVO (CANADA) INC.,** legal person having its head office at 400-1565 Ave Carling, Ottawa, Ontario, K1Z 8R1, Canada.

and

**WAL-MART CANADA CORP.,** legal person having its head office at 1300-1969, Upper Water St. Purdy's Wharf Tower II, Halifax, Nova Scotia, B3J 2V1, Canada and

**BEST BUY CANADA LTD.,** legal person having its head office at 1200 Waterfront Centre, 200 Burrard Street, Vancouver, British Columbia, V6C 3L6, Canada

**TAKE NOTICE** that Applicant's *Application for Authorization to Institute a Class Action and to Appoint the Status of Representative Plaintiff* will be presented before the Superior Court at 1 Rue Notre-Dame E, Montréal, Quebec, H2Y 1B6, on the date set by the coordinator of the Class Action chamber.

## GOVERN YOURSELF ACCORDINGLY.

Montréal, July 21, 2023

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**SLATER VECCHIO LLP** 

Me Saro Turner Me Andrea Roulet Counsel for the Applicant 5352 Saint Laurent boulevard Montréal, Québec, H2T 1S1 Tel.: 514-534-0962 Fax: 514-552-9706 sjt@slatervecchio.com acr@slatervecchio.com No.

SUPERIOR COURT DISTRICT OF MONTRÉAL (Class Actions)

ALEX LAFRANCE

Applicant

۷.

LENOVO (CANADA) INC. et al

Defendants

#### APPLICATION FOR AUTHORIZATION TO INSTITUTE A CLASS ACTION AND APPOINT APPLICANT AS CLASS REPRESENTATIVE (Article 571 C.C.P)

Nature du litige: Class Action (99)

#### ORIGINAL

#### BS3107

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