

CANADA

PROVINCE OF QUEBEC  
DISTRICT OF MONTREAL

N<sup>o</sup>:

500-06-000868-170

**SUPERIOR COURT**  
**(Class Action)**

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**JULIE TREMBLAY**, residing and domiciled at  
[REDACTED], in the city of St-Colomban,  
Province of Québec [REDACTED];

*Applicant*

-vs-

**THE VOLKSWAGEN GROUP CANADA INC.**  
is incorporated under the laws of Canada and is  
headquartered at 777 Bayly Street West , Ajax  
Ontario, Canada L1S 7G7

-and-

**THE VOLKSWAGEN GROUP OF AMERICA  
Inc.** is incorporated under the laws of the State  
of New-Jersey and is headquartered at 2200  
Ferdinand Porsche Drive, in Herndon Virginia in  
the United-States of America at 20171.

-and-

**AUDI CANADA INC.** is a company  
incorporated under the laws of Canada and is  
headquartered at 777 Bayly Street West in Ajax,  
Ontario, Canada, L1S 7G7

-and-

**AUDI OF AMERICA LLC.** Is a company  
incorporated under the laws of the state of  
Delaware and is headquartered at 2200  
Ferdinand Porsche Drive in Herndon Virginia in  
the United-States of America, 20171

*Defendants*

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**APPLICATION FOR AUTHORIZATION TO INSTITUTE A CLASS ACTION AND TO  
APPOINT A REPRESENTATIVE PLAINTIFF  
(Art. 574 C.C.P. and following)**

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**TO ONE OF THE HONOURABLE JUSTICES OF THE SUPERIOR COURT OF  
QUEBEC, SITTING IN AND FOR THE DISTRICT OF MONTREAL, THE APPLICANT  
STATES THE FOLLOWING:**

**GENERAL PRESENTATION**

1. The Applicant wishes to institute a class action on behalf of the following Class, of which she is a member, namely:

All persons in Canada (including but not limited to individuals, corporations, and estates), who own or have owned, or lease or have leased, one or more of the Class Vehicles affected by or may reasonably be expected to be affected by the timing chain system defect asserted by this claim. "Class Vehicles" include, but are not necessarily limited to, the following Volkswagen or Audi brand vehicles with a 2.0L TSI or 2.0L TFSI engine:

2008-2010 and 2012 Volkswagen Beetle;

2009-2013 Volkswagen CC;

2008 -2012 Volkswagen EOS;

2008-2012 Volkswagen Golf;

2008-2012 Volkswagen GTI;

2008-2012 Volkswagen Jetta;

2008-2012 Volkswagen Passat;

2008-2011 Volkswagen R32;

2008-2010 Volkswagen Rabbit;

2009-2012 Volkswagen Routan;

2008-2012 Volkswagen Tiguan;

2008-2013 Volkswagen Touareg;  
2011 Volkswagen Touareg Hybrid;  
2008-2012 Audi A3;  
2008-2012 Audi A4;  
2008-2012 Audi A5;  
2010-2012 Audi A6;  
2012 Audi A7;  
2008-2012 Audi TT;  
2010-2012 Audi Q3;  
2009-2012 Audi Q5; and  
2012 Audi Q7

(referred to herein as "Class Member(s)", the "Class", the "Member(s)");

#### The Defendants

2. The Defendant, Volkswagen Group Canada, Inc. ("**Volkswagen Canada**") is incorporated under the laws of Canada and is headquartered at 777 Bayly St W, Ajax, ON, L1S 7G7 Canada. Volkswagen Canada conducts business in Canada, including in Quebec;
3. The Defendant, Volkswagen Group of America, Inc. ("**Volkswagen America**") is incorporated under the laws of the State of New Jersey and headquartered at 2200 Ferdinand Porsche Dr., Herndon Virginia 20171. Volkswagen America conducts business in Canada, including in Quebec;
4. The Defendant Audi Canada Inc. ("**Audi Canada**") is a company incorporated under the laws of Canada and is headquartered at Bayly Street , Ajax, Ontario, L1S 7G7

Canada Audi Canada conducts business in Canada, including Quebec;

5. The Defendant Audi of America LLC. (“**Audi America**”) is incorporated under the laws of the State of Delaware and headquartered at 2200 Ferdinand Porsche Drive., Herndon Virginia, 20171 with a registered agent for service via the Corporation Service Company, 2711 Centreville Road Suite 400, Wilmington Delaware, 19808. Audi America conducts business in Canada including in Quebec.
6. Hereinafter , Volkswagen Canada, Volkswagen America, Audi Canada, and Audi America will be collectively referred to as “**Volkswagen**” or the “**Defendants**”
7. The business each of Volkswagen Canada, Volkswagen America, Audi Canada, and Audi America includes designing, developing, testing, manufacturing, marketing, and sale of vehicles in Quebec and Canada, including the class vehicles identified herein.
8. Each of the Defendants acted in concert with the others. Each of the Defendants is vicariously liable for the actions of the others and the actions of their employees and agents. Each of the Defendants were part of one of the worldwide corporate entity acting together and in common ways. Each created and executed a common business plan to manufacture, market and sell their vehicles in Canada and throughout the world.

General Facts:

9. The Defendants researched, designed , tested , manufactured, distributed, and promoted Class Vehicles, including in Quebec:
  - (a) Each created and executed a common business plan to design, manufacture, and sell Class Vehicles in Quebec and in Canada and throughout the world for profit.
  - (b) Their business was inextricably interwoven. Each contributed money, effort, Knowledge, and other assets to the common enterprise.

(c) Each undertook to be bound by the warranties given to class members of the sale of class vehicles in Quebec.

10. The Defendants wrongfully and intentionally concealed a defect in the timing chain system of the Class Vehicles, which can fail at any time , which has forced or will force the Plaintiff and members of the Class to incur out of pocket costs to repair or replace the damaged engine parts of their entire engine or will result in a diminished resale value of the Class vehicles causing damage for the Class;
11. The timing chain system is compromised *Inter Alia*, of the camshaft sprockets , camshaft chain, hydraulic tensioner, timing gear-tensioning rail and timing gear chain rails;
12. The engines of the Class Vehicles use a hydraulic timing chain tensioner actuated by engine oil pressure to regulate tension on the timing chain tensioning rail that applies tension to the timing chain;
13. This tension keeps the timing chain from jumping the teeth on the sprockets that are attached to the camshafts and crankshaft and maintains synchronization between rotating engine components including the cylinder valves and pistons;
14. Without proper timing chain tension and synchronization, the engine will run very poorly (if at all) or, if sufficient chain skip and miss-synchronization occur, its failure to function properly will cause cylinder valves and pistons to collide, resulting in severe internal damage to the engine and additional fuel expense;
15. The timing chain system defect also presents a significant safety risk for the Plaintiff and members of the Class because when the timing chain system suddenly and unexpectedly fails, the Class Vehicles lose engine power, which causes a loss in the ability to accelerate, maintain speed, and adequately control the steering wheel or fully engage the brakes;

16. Thus, drivers and occupants of the Class Vehicles are at risk of collisions and other mishaps as a result of the Defendants' failure to disclose the existence of the timing chain system defect and corresponding safety risk;
17. Despite the Defendants' knowledge of the timing chain system defect, the Defendants have never disclosed to the Applicant and members of the Class that the defect exists of that drivers and occupants of the Class Vehicles are at risk.
18. Notwithstanding the fact that the timing chain system should operate normally in vehicles for at least 200,000 kilometers, the Defendants have refused to repair or replace the timing chain system outside of the time periods covered by the manufacturer's warranties. Thus, the Defendants have wrongfully and intentionally transferred the cost of the repair or the replacement of the timing chain system to the Plaintiff and Members of the Class by fraudulently concealing the existence of the defect, which the Defendants know will typically occur after the expiration of the warranties;
19. The Class Vehicles are equipped with engines, known as EA888 engines, that contain the defective timing chain system;
20. As a result of the defect, the EA888 engines are prone to premature failure before the end of the useful life of the engine and before 200,000 driven Kilometres—the lowest number of kilometres Defendants recommend for regularly scheduled maintenance.
21. The Defendants designed, manufactured, imported, distributed, marketed and sold the Class Vehicles with the defective timing chain system;
22. The EA888 engine with the defective timing chain system is contained in at least the following Volkswagen and Audi Vehicles;

2008-2010 and 2012 Volkswagen Beetle;

2009-2013 Volkswagen CC;  
2008 -2012 Volkswagen EOS;  
2008-2012 Volkswagen Golf;  
2008-2012 Volkswagen GTI;  
2008-2012 Volkswagen Jetta;  
2008-2012 Volkswagen Passat;  
2008-2011 Volkswagen R32;  
2008-2010 Volkswagen Rabbit;  
2009-2012 Volkswagen Routan;  
2008-2012 Volkswagen Tiguan;  
2008-2013 Volkswagen Touareg;  
2011 Volkswagen Touareg Hybrid;  
2008-2012 Audi A3;  
2008-2012 Audi A4;  
2008-2012 Audi A5;  
2010-2012 Audi A6;  
2012 Audi A7;  
2008-2012 Audi TT;  
2010-2012 Audi Q3;  
2009-2012 Audi Q5; and  
2012 Audi Q7

23. The Audi A3 and Volkswagen Class Vehicles are equipped with EA888 2.0L TSI engines designated with engine codes CCTA or CBFA. These engines were introduced in the United-States and Canada in the 2008 model year;
24. The Applicant lost her sense of family. She was cut off from her biological family through forced adoptions and through placement in various foster homes;
25. The remaining Class Vehicles are equipped with an EA888 2.0L TFSI engines with engine codes CAEB, CAEA or CDNC. The engines designated with these five codes are all versions of the EA888 engine and all use the same timing chain system.
26. Based on the Defendants' representation in the USA Warranty and maintenance schedules for the Class Vehicles, the timing chain system is expected to last for the useful life of the engine or at least 200,000 kilometers without the need for maintenance, repair, or replacement. Owners and lessees of Class Vehicles were provided owner's manuals and USA warranty and maintenance schedules that do not show any timing chain system inspection or maintenance within the first 120,000 miles. Indeed the timing chain system is omitted from the maintenance schedules;
27. Knowledge and information regarding the timing chain system defect was in the exclusive and superior possession of the Defendants and their dealers, and was not provided to the Applicant and the Class, who could not reasonable discover the defect through due diligence;
28. Based on pre-production testing, design failure mode analysis, and consumer complaints to dealers, inter alia, the Defendants were aware of the premature failure of the timing chain system in the Class Vehicles and fraudulently concealed the defect from the Applicant and Members of the Class;
29. The Defendants' misrepresented the standard, quality or grade of the Class Vehicles and knowingly, actively, and affirmatively concealed the existence of the timing chain



system defect to increase profits and decrease costs by selling additional Class Vehicles and transferring the Cost of the repair or replacement of the timing chain system to owners and lessees of the Class Vehicles, including the Applicant and the Class.

30. The Defendants have secretly, so far as the Class is concerned, acknowledged the timing chain system defect by releasing several technical service bulletins ("TSBs") describing the issue to their exclusive network of dealerships beginning in or around June 2010.
31. The Defendants knowingly omitted, concealed and suppressed material facts regarding the defective timing chain system and its corresponding safety risk, and misrepresented the standard, quality and grade of the Class Vehicles, which directly caused harm to the Applicant and Members of the Class.
32. As asserted herein, the Defendants wrongful conduct has harmed owners and lessees of the Class Vehicles and the Applicant and Class are entitled to damages and injunctive and declaratory relief.
33. As a direct result of the Defendants' wrongful conduct, the Applicant and Members of the Class have suffered damages or will suffer damages, including, Inter Alia (1) out of pocket expenses for repair and replacement of the timing chain system, other engine parts, or the entire engine; (2) costs for future repairs or replacements; (3) sale of their vehicle for a reduced value, and (4) diminished value of their vehicles.
34. Each of the Defendants acted in concert with the others. Each of the Defendants is vicariously liable for the actions of the others. Each of the Defendants were part of one omnibus worldwide corporate entity acting together and in common ways.
35. Each of the Defendants implemented changes together and worked together, including the design and installation of the defective timing chain system in Class Vehicles and each is responsible for the conduct of the others.

36. Because of the secrecy of the Defendants. The conduct and wrongful conduct of each of the Defendants cannot be distinguished by outsiders to know which Defendant did what, but rather outsiders, the Applicant, and Members of the Class, can only know about the Defendants, what the Defendants permit to be known.
37. The Defendants acted in similar ways, embarking on common practices and approaches, failing to correct the impression and inducing the false impression, on a class wide basis and within the stream of commerce, that Class vehicles purchased by the Applicant and Class Members were safe, free of defects, and would be fit for their intended purposes.
38. The Defendants collectively provided deceitful, deficient, and misleading information to the Applicant and members of the Class with respect to the safety and reliability of the Class vehicles and by doing the same things contemporaneously and by acting in the same ways, the Defendants acting in concert, deceived the Class. Class Members could not have reasonably and objectively have known that they were being deceived on a class wide basis by the Defendants.
39. The Applicant and the Class could not reasonable and objectively be expected to have known that the Defendants were being unjustly enriched through the Anti-competitive practices of the Defendants and the inappropriate prices paid for Class vehicles by Class Members to the Defendants because of the actions of the Defendants, the commonality of their actions, and the class wide impression which the Defendants perpetrated , that prices for Class vehicles were justified, made knowing that the Defendants were being unjustly enriched impossible for Class Members to know and the Applicant and other Class Members did not know.
40. The Defendants illegally used false and misleading representations or omissions of material fact in connection with the marketing, promotion, and the sale of Class vehicles equipped with the defective timing chain systems.
41. The Defendants acted in concert with the predominant purpose of injuring the Plaintiff and the Class by installing the defective timing chain systems in Class

vehicles and providing deceitful, deficient, and misleading information about Class vehicles causing damage to the Applicant and members of the Class which resulted in, among other things, increased revenues and profits for the defendants.

42. The unlawful conduct of the Defendants is ongoing.

#### **FACTS GIVING RISE TO AN INDIVIDUAL ACTION BY THE APPLICANT**

43. The Applicant, Julie Tremblay is a resident of Saint-Colomban Québec;
44. The Applicant Julie Tremblay Owns a 2011 Volkswagen Tiguan.
45. On or about Friday January 20<sup>th</sup>, 2017, the Applicant's husband took the car to go the local corner store to purchase some milk. On his way back to the residence the engine light lit up and the engine started shaking so the vehicle was shut off;
46. The Applicant called a tow truck and has the vehicle towed to her local garage and her mechanic look at the vehicle who informed her that it was the timing chain system that was defective as he saw 3 or 4 vehicles a week come into his shop;
47. The mechanic informed Volkswagen of the defect as it was unknown if this repair would be covered by Volkswagen;
48. The Applicant's vehicle was taken away by the Volkswagen company to its head office so that they could examine the vehicle and make a determination on the defective parts;;
49. The damages suffered by the Applicant are a direct and proximate result of the Defendants' conduct;
50. As a consequence of the foregoing, the Applicant is justified in claiming damages;

#### **FACTS GIVING RISE TO AN INDIVIDUAL ACTION BY EACH OF THE MEMBERS OF THE GROUP**

51. Every Member of the Class owns, leases or otherwise possesses one of the motor vehicles comprised in the Subject Vehicles;
52. Each Member of the Class is justified in claiming at least one or more of the following:
  - a) Resiliation of the sale or lease of the Vehicle and reimbursement of the purchase price or lease amounts paid, including but not limited to taxes, license and registration fees, security deposit, down payment, etc., or subsidiarily, damages for the diminished value (or resale value) of the Subject Vehicles;
  - b) Damages for the costs associated with the defects or repairs to the Subject Vehicles;
  - c) Damages for any injury suffered and costs related to said injuries;
  - d) Damages for loss of use and enjoyment of their Subject Vehicles;
  - e) Damages for trouble, inconvenience and loss of time;
  - f) Damages for anxiety and fear;
  - g) Punitive and/or exemplary damages;
  - h) Such further and other relief as counsel may advise and this Honourable Court may allow.
53. All of these damages to the Class Members are a direct and proximate result of the Defendants' conduct;

#### **CONDITIONS REQUIRED TO INSTITUTE A CLASS ACTION**

**The composition of the Class makes the application of Article 91 or 143 C.C.P. impractical or impossible for the reasons detailed below:**

54. The number of persons included in the Class is estimated to be in the thousands;
55. The names and addresses of all persons included in the Class are not known to the Applicant but are known to the Defendants;

56. In addition, given the costs and risks inherent in an action before the Courts, many people will hesitate to institute an individual action against the Defendants. Even if the Class Members themselves could afford such individual litigation, the Court system could not as it would be overloaded. Furthermore, individual litigation of the factual and legal issues raised by the conduct of Defendants would increase delay and expense to all parties and to the Court system;
57. These facts demonstrate that it would be impractical, if not impossible, to contact each and every Member of the Class to obtain mandates and to join them in one action;
58. In these circumstances, a class action is the only appropriate procedure for all of the Members of the Class to effectively pursue their respective rights and have access to justice;

**The questions of fact and law which are identical, similar, or related with respect to each of the Class Members:**

59. The recourses of the Class Members raise identical, similar or related questions of fact or law, namely:
- a) Is there a latent defect in the Timing Chain Tensioning System of Subject Vehicles?
  - b) Is there a safety defect in the Subject Vehicles?
  - c) Are the Subject Vehicles fit for the purpose they were intended?
  - d) Did the Defendants know or should the Defendants have known about these defects affecting the Subject Vehicles?
  - e) Did the Defendants fail, refuse or neglect to adequately disclose the defect to consumers before they purchased or leased the Subject Vehicles, or thereafter?
  - f) Have the Class Members suffered damages as a result of the defect in question?
  - g) Are the Defendants liable to pay compensatory damages to Class Members stemming from the defect?

- h) What are the categories of damages for which the Defendants are responsible to pay to Class Members, and in what amount?
- i) Are Defendants liable to pay any other compensatory, moral, punitive and/or exemplary damages to Class Members, and if so in what amount?

60. The interests of justice favour that this application be granted in accordance with its conclusions;

**NATURE OF THE ACTION AND CONCLUSIONS SOUGHT**

61. The action that the Applicant wishes to institute for the benefit of the members of the Class is an action in damages for latent defect and negligence;

62. The conclusions that the Applicant wishes to introduce by way of an application to institute proceedings are:

**GRANT** Plaintiff's action against Defendants;

**ORDER** the resiliation of the sale or lease of the Subject Vehicles purchased or leased by the Class Members;

**ORDER and CONDEMN** Defendants to reimburse the purchase price or lease amounts paid by the Class Members, and any other amounts paid by Class Members in connection with the purchase or lease, plus interest as well the additional indemnity since the date of purchase or lease;

**OR SUBSIDIARILY, CONDEMN** Defendants to pay damages to the Class Members equivalent to the amount of loss of resale value or diminished value of the Class Vehicle as a result of the existence and/or repair of the defect;

**CONDEMN** Defendants to reimburse to the Class Members any costs or fees paid in relation to the defect or repair thereof;

**CONDEMN** Defendants to pay compensatory damages to the Class Members for the loss of use and enjoyment of the Subject Vehicles, trouble, inconvenience, loss of time,

anxiety and fear, and other moral damages;

**CONDEMN** Defendants to pay punitive and/or exemplary damages to the Class Members, to be determined by the Court;

**GRANT** the class action of Applicant on behalf of all the Members of the Class;

**ORDER** the treatment of individual claims of each Member of the Class in accordance with articles 599 to 601 C.C.P.;

**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 interest and additional indemnity provided for in the Civil Code of Quebec and with full costs and expenses including expert's fees and publication fees to advise members;

63. Applicant suggests that this class action be exercised before the Superior Court in the District of Montreal for the following reasons:

- a) Many Class Members are domiciled in the District of Montreal;
- b) The Defendants have a business establishment in the District of Montreal;
- c) Many of the Subject Vehicles were purchased or leased by Class Members in the District of the Montreal;
- d) The Applicant's counsel is domiciled in the District of Montreal;

64. The Applicant, who is requesting to obtain the status of representative, will fairly and adequately protect and represent the interest of the Members of the Class, since Applicant:

- a) owns a 2005 Nissan Frontier which is affected by the defect alleged above, and is thus a Member of the Class;
- b) understands the nature of the action and has the capacity and interest to fairly and adequately protect and represent the interests of the Members of the Class;

- c) is available to dedicate the time necessary for the present action before the Courts of Quebec and to collaborate with Class attorneys in this regard;
- d) is ready and available to manage and direct the present action in the interest of the Class Members that the Applicant wishes to represent, and is determined to lead the present file until a final resolution of the matter, the whole for the benefit of the Class;
- e) does not have interests that are antagonistic to those of other members of the Class;
- f) has given the mandate to the undersigned attorneys to obtain all relevant information to the present action and intend to keep informed of all developments;
- g) is, with the assistance of the undersigned attorneys, ready and available to dedicate the time necessary for this action and to collaborate with other Members of the Class and to keep them informed;

65. The present application is well-founded in fact and in law;

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

**GRANT** the present application;

**AUTHORIZE** the bringing of a class action in the form of an application to institute proceedings in damages;

**ASCRIBE** the Applicant the status of representative of the persons included in the Class herein described as:

All persons in Canada (including but not limited to individuals, corporations, and estates), who own or have owned, or lease or have leased, one or more of the Class Vehicles affected by or may reasonably be expected to be affected by the timing chain system defect asserted by this claim. "Class Vehicles" include, but are not necessarily limited to, the following Volkswagen or Audi brand vehicles with a 2.0L TSI or 2.0L TFSI engine:

2008-2010 and 2012 Volkswagen Beetle;

2009-2013 Volkswagen CC;



2008 -2012 Volkswagen EOS;  
2008-2012 Volkswagen Golf;  
2008-2012 Volkswagen GTI;  
2008-2012 Volkswagen Jetta;  
2008-2012 Volkswagen Passat;  
2008-2011 Volkswagen R32;  
2008-2010 Volkswagen Rabbit;  
2009-2012 Volkswagen Routan;  
2008-2012 Volkswagen Tiguan;  
2008-2013 Volkswagen Touareg;  
2011 Volkswagen Touareg Hybrid;  
2008-2012 Audi A3;  
2008-2012 Audi A4;  
2008-2012 Audi A5;  
2010-2012 Audi A6;  
2012 Audi A7;  
2008-2012 Audi TT;  
2010-2012 Audi Q3;  
2009-2012 Audi Q5; and  
2012 Audi Q7

(referred to herein as “Class Member(s)”, the “Class”, the “Member(s)”);

**IDENTIFY** the principle questions of fact and law to be treated collectively as the following:

- a) Is there a latent defect in the Timing Chain Tensioning System of Subject Vehicles?
- b) Is there a safety defect in the Subject Vehicles?
- c) Are the Subject Vehicles fit for the purpose they were intended?
- d) Did the Defendants know or should the Defendants have known about these defects affecting the Subject Vehicles?
- e) Did the Defendants fail, refuse or neglect to adequately disclose the defect to consumers before they purchased or leased the Subject Vehicles, or thereafter?
- f) Have the Class Members suffered damages as a result of the defect in question?
- g) Are the Defendants liable to pay compensatory damages to Class Members stemming from the defect?
- h) What are the categories of damages for which the Defendants are responsible to pay to Class Members, and in what amount?
- i) Are Defendants liable to pay any other compensatory, moral, punitive and/or exemplary damages to Class Members, and if so in what amount?

**IDENTIFY** the conclusions sought by the class action to be instituted as being the following:

**GRANT** Plaintiff's action against Defendants;

**ORDER** the rescission of the sale or lease of the Subject Vehicles purchased or leased by the Class Members;

**ORDER and CONDEMN** Defendants to reimburse the purchase price or lease amounts paid by the Class Members, and any other amounts paid by Class Members in connection with the purchase or lease, plus interest as well the additional indemnity since the date of purchase or lease;

**OR SUBSIDIARILY, CONDEMN** Defendants to pay damages to the Class Members equivalent to the amount of loss of resale value or diminished value of the Class Vehicle as a result of the existence and/or repair of the defect;

**CONDEMN** Defendants to reimburse to the Class Members any costs or fees paid in relation to the defect or repair thereof;

**CONDEMN** Defendants to pay compensatory damages to the Class Members for the loss of use and enjoyment of the Subject Vehicles, trouble, inconvenience, loss of time, anxiety and fear, and other moral damages;

**CONDEMN** Defendants to pay punitive and/or exemplary damages to the Class Members, to be determined by the Court;

**GRANT** the class action of Applicant on behalf of all the Members of the Class;

**ORDER** the treatment of individual claims of each Member of the Class in accordance with articles 599 to 601 C.C.P.;

**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 interest and additional indemnity provided for in the Civil Code of Quebec and with full costs and expenses including expert's fees and publication fees to advise members;

**DECLARE** that all Members of the Class that have not requested their exclusion from the Class in the prescribed delay to be bound by any judgment to be rendered on the class action to be instituted;

**FIX** the delay of exclusion at 30 days from the date of the publication of the notice to the Members;

**ORDER** the publication of a notice to the Members of the Class in accordance with Article 579 C.C.P.;

**THE WHOLE** with costs to follow.

**THE WHOLE** with costs to follow.

**THE WHOLE** with costs to follow.

**MONTREAL, June 12, 2017**

*Merchant Law Group LLP*

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**MERCHANT LAW GROUP LLP**

Attorneys for the Applicant

**SUMMONS**

(Articles 145 and following C.C.P.)

**Filing of a Judicial Application**

Take notice that the Applicant has filed this Application to Authorize the Bringing of a Class Action and to Ascribe the Status of Representative in the office of the Superior Court of Quebec in the judicial district of Montreal.

**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 Street Est, Montréal, Québec, H2Y 1B6, 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 cases 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 Applicant.

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 filed, 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.

**Exhibits supporting the application**

In support of the Application to Authorize the Bringing of a Class Action and to Ascribe the Status of Representative, the Applicant intends to use the following exhibits:


(None identified)

These Exhibits are available upon request.

**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.

Montreal, June 12, 2017



**Merchant Law Group LLP**  
**10 rue Notre Dame Est, suite 200**  
**Montréal (Québec) H2Y 1B7**  
**Phone : 514-842-7776**  
**Fax : 514-842-6687**  
**Notifications : [rdupont@merchantlaw.com](mailto:rdupont@merchantlaw.com)**  
**Attorneys for the Applicant**

**NOTICE OF PRESENTATION**  
**(Articles 146 and 574 al.2 C.P.C.)**

**TO: THE VOLKSWAGEN GROUP CANADA INC.** is incorporated under the laws of Canada and is headquartered at 777 Bayly Street West , Ajax Ontario, Canada L1S 7G7

and

**TO: THE VOLKSWAGEN GROUP OF AMERICA Inc.** is incorporated under the laws of the State of New-Jersey and is headquartered at 2200 Ferdinand Porsche Drive, in Herndon Virginia in the United-States of America at 20171.

and

**TO: AUDI CANADA INC.** is a company incorporated under the laws of Canada and is headquartered at 777 Bayly Street West in Ajax, Ontario, Canada, L1S 7G7

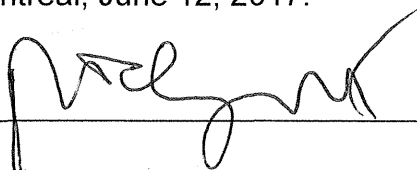
and

**TO: AUDI OF AMERICA LLC.** Is a company incorporated under the laws of the state of Delaware and is headquartered at 2200 Ferdinand Porsche Drive in Herndon Virginia in the United-States of America, 20171

**TAKE NOTICE** that the present FOR AUTHORIZATION TO INSTITUTE A CLASS ACTION AND TO APPOINT A REPRESENTATIVE PLAINTIFF will be presented before one of the Honourable Judges of the Superior Court of Québec, at the Montreal courthouse, located at 1, rue Notre-Dame Est, in the city and District of Montréal, on the date set by the coordinator of the class actions chamber.

PLEASE ACT ACCORDINGLY.

Montreal, June 12, 2017.



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**Merchant Law Group LLP**  
Attorneys for the Applicant



N<sup>o</sup>.: 500-06-000868-170

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**SUPERIOR COURT  
DISTRICT OF MONTREAL**

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**JULIE TREMBLAY**

Applicant

-vs-

**VOLKSWAGEN GROUP CANADA INC.**

-and-

**THE VOLKSWAGEN GROUP OF AMERICA INC.**

-and-

**AUDI OF AMERICA LLC**

Defendants

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**APPLICATION FOR AUTHORIZATION TO  
INSTITUTE A CLASS ACTION AND TO APPOINT A  
REPRESENTATIVE PLAINTIFF  
(Art. 574 C.C.P. and following)**

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**ORIGINAL**

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*Me Roch Dupont*  
**MERCHANT LAW GROUP LLP**  
10, rue Notre-Dame Est, Suite 200  
Montreal, Quebec H2Y 1B7  
Telephone: (514) 248-7777  
Telecopier: (514) 842-6687  
**BC 3841**