

CANADA

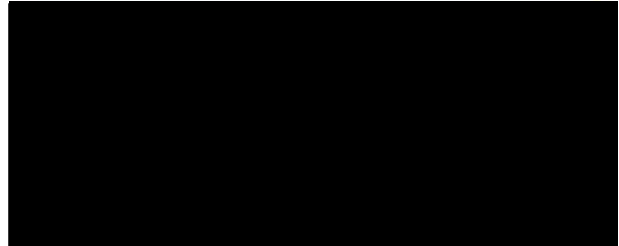
(Class Action)  
SUPERIOR COURT

PROVINCE OF QUÉBEC  
DISTRICT OF QUÉBEC

NO :

200-06-000226-186

MOHAMMAD HAZEGH, having elected



v.

**MARRIOTT INTERNATIONAL, INC.**,  
c/o MARRIOTT HOTELS OF CANADA  
LTD. legal person having its principal  
place of business at 2425 Matheson  
Blvd East, Suite 100, Mississauga,  
Ontario, L4W 5K4;

**MARRIOTT HOTELS OF CANADA  
LTD.**, legal person having its principal  
place of business at 2425 Matheson  
Blvd East, Suite 100, Mississauga,  
Ontario, L4W 5K4;

**STARWOOD CANADA ULC**, legal  
person having its principal place of  
business at 2425 Matheson Blvd East,  
Suite 100, Mississauga, Ontario, L4W  
5K4;

**Respondents**

**SISKINDS, DESMEULES, AVOCATS**

S.E.N.C.R.L.

2018-12-03

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0376640-0001-0839

Palais Justice Québec

Gouvernement du Québec

DROITS DE GREFFE

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**APPLICATION FOR AUTHORIZATION TO INSTITUTE A CLASS ACTION AND TO  
APPOINT THE STATUS OF REPRESENTATIVE PLAINTIFF**

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

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**TO ONE OF THE HONOURABLE JUSTICES OF THE QUÉBEC SUPERIOR COURT,  
SITTING IN AND FOR THE DISTRICT OF QUÉBEC, THE APPLICANT STATES AS  
FOLLOWS:**

**I. GENERAL PRESENTATION**

**A) THE CLASS ACTION**

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

Any person, residing in the Province of Québec, whose Personal Information was accessed by unauthorized parties in or as a result of the Data Breach.

\* Personal Information means any information which relates to a natural person and allows that person to be identified.

\*\* The Data Breach means the unauthorized access to the Class Members' Personal Information through the Respondents' computer systems and networks, which was publicly disclosed by the Respondents on November 30, 2018, the events out of which this action arises.

(hereinafter referred to as "**Class Members**") or such other Class definition as may be approved by the Court;

2. This action arises from a cybersecurity privacy breach affecting sensitive and valuable Personal Information of millions of clients of Marriott International, Inc. and its subsidiaries and affiliates, including the Respondents, Marriott Hotels of Canada Ltd. and Starwood Canada ULC (collectively, the "**Respondents**");
2. The Respondents collect, use and/or disclose Personal Information of their clients, including the Class Members, in the course of commercial activities;
3. On November 30, 2018, Marriott International, Inc. (hereinafter, "**Marriott International**") disclosed a major data breach affecting sensitive Personal

Information of up to 500 million of the customers of its Starwood brand hotels worldwide, including Personal Information of the Class Members;

4. The Personal Information stolen and compromised in the Data Breach essentially includes some combination of name, mailing address, phone number, email address, passport number, Starwood Preferred Guest (“SPG”) account information, date of birth, gender, arrival and departure information, reservation date, and communication preferences. For some, the information also includes payment card numbers and payment card expiration dates;
5. The Respondents failed to establish, maintain and/or enforce proper policies, procedures, practices and/or technical measures to prevent, timely detect and/or timely and diligently respond to the Data Breach;
6. As a result of the Respondents’ actions and omissions and their breaches of the duties and standards applicable to them in the circumstances, they disclosed the Class Members’ Personal Information to unauthorized parties, or caused it to be disclosed to unauthorized parties, without the Class Members’ knowledge or consent;
7. As a result of the Data Breach, the Class Members have and will continue to incur significant damages and losses, including significant costs and time to respond to the Data Breach and its consequences, and they are exposed to significant risks of misuse and abuse of their Personal Information, including identity theft;

**B) THE RESPONDENTS**

8. The Respondent, Marriott International, is a worldwide operator, franchisor and licensor of hotel, residential and timeshare properties under various brand names, including Starwood Hotels & Resources. Marriott International has operations and properties across 130 countries and territories, including in the Province of Québec;
9. The Respondents, Marriott Hotels of Canada Ltd. and Starwood Canada ULC, are wholly-owned subsidiaries of Marriott International, headquartered in Mississauga, Ontario, through which Marriott International owns and operates its properties in Canada;
10. The Respondents are jointly and severally liable for the actions and omissions of its subsidiaries, affiliates, partners, directors, officers and employees;

### C. THE DATA BREACH

11. On November 30, 2018, Marriott International disclosed a major data breach affecting sensitive Personal Information of millions of its clients, including the Class Members;
12. Among other things, Marriott International stated:

*“Marriott values our guests and understands the importance of protecting personal information. We have taken measures to investigate and address a data security incident involving the Starwood guest reservation database. The investigation has determined that there was unauthorized access to the database, which contained guest information relating to reservations at Starwood properties on or before September 10, 2018. This notice explains what happened, measures we have taken, and some steps you can take in response.*

*On September 8, 2018, Marriott received an alert from an internal security tool regarding an attempt to access the Starwood guest reservation database. Marriott quickly engaged leading security experts to help determine what occurred. Marriott learned during the investigation that there had been unauthorized access to the Starwood network since 2014. Marriott recently discovered that an unauthorized party had copied and encrypted information, and took steps towards removing it. On November 19, 2018, Marriott was able to decrypt the information and determined that the contents were from the Starwood guest reservation database.*

*Marriott has not finished identifying duplicate information in the database, but believes it contains information on up to approximately 500 million guests who made a reservation at a Starwood property. For approximately 327 million of these guests, the information includes some combination of name, mailing address, phone number, email address, passport number, Starwood Preferred Guest (“SPG”) account information, date of birth, gender, arrival and departure information, reservation date, and communication preferences. For some, the information also includes payment card numbers and payment card expiration dates, but the payment card numbers were encrypted using Advanced Encryption Standard encryption (AES-128). There are two components needed to decrypt the payment card numbers, and at this point, Marriott has not been able to rule out the possibility that both were taken. For the remaining guests, the information was limited to name and sometimes other data such as mailing address, email address, or other information. Marriott reported this incident to law enforcement and continues to support their investigation. We have already begun notifying regulatory authorities.*

*Marriott deeply regrets this incident happened. From the start, we moved quickly to contain the incident and conduct a thorough investigation with the*

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S.E.N.C.R.L.

*assistance of leading security experts. Marriott is working hard to ensure our guests have answers to questions about their personal information with a dedicated website and call center. We are supporting the efforts of law enforcement and working with leading security experts to improve. Marriott is also devoting the resources necessary to phase out Starwood systems and accelerate the ongoing security enhancements to our network.”*

the whole as it appears from that statement, filed as **Exhibit P-1**;

13. The Data Breach has had an enormous and far reaching impact on the Class Members, the full extent of which is currently unknown;
14. Given the nature and scale of the Class Members’ personal information stolen in or as a result of the Data Breach, the Data Breach will continue to have a profound impact on the Class Members’ lives and private affairs;

**D. CAUSE OF ACTION : THE DEFENDANTS’ DUTIES TO SAFEGUARD THE PERSONAL INFORMATION**

15. The Data Breach would not have occurred but for the Respondents’ breaches of their duties to responsibly collect, store and manage the Class Members’ Personal Information, to prevent the Data Breach, and to timely detect and properly respond to the Data Breach;
16. By virtue of Canada’s privacy laws, the privacy laws of the Province of Québec, the Respondents’ own representations to their customers and the industry standards reasonably expected and required of the Respondents, the Respondents were required to properly and responsibly collect and manage the Class Members’ Personal Information and to properly safeguard that information against unauthorized access, use or theft.;
17. The Respondents breached the duties and standards reasonably applicable to them in the circumstances;
18. The Defendants violated articles 3, 35-37 and 1457 of the *Civil Code of Québec*, CQLR c CCQ-1991, section 5 of the *Charter of Human Rights and Freedoms*, CQLR c C-12, and section 10 of the *Act Respecting the Protection of Personal Information in the Private Sector*, R.S.Q., c. P-39.1;
19. By their actions and omissions, and as a result of the breaches of their duties owed to the Class Members, the Defendants exposed the Class Members’ sensitive personal information in the Data Breach;

**E) DAMAGES**

20. The Class Members' information compromised in the Data Breach represents sensitive Personal Information;
21. The unauthorized disclosure of the Class Members' Personal Information by the Defendants to unauthorized parties exposes the Class Members to a significant risk of identity theft and other misuse or abuse of their Personal Information;
22. The Defendants' actions and omissions constitute intentional, wilful or reckless intrusions upon seclusion and are highly offensive to a reasonable person;
23. The Class Members have and will continue to incur significant damages and losses as a result of the Data Breach, including significant costs and time required to respond to the consequences of the Data Breach;
24. On behalf of himself and the Class Members, the Plaintiff claims general, compensatory, consequential, aggravated and exemplary damages;
25. A significant award of damages is justified in this case in light of, among other things:
  - (a) the nature, incidence and occasion of the Defendants' wrongful actions and omissions;
  - (b) the relationship between the Class Members and the Defendants; and/or
  - (c) the conduct of the Defendants both prior to and after the Data Breach;

**II. FACTS GIVING RISE TO THE APPLICANT'S CLAIM**

26. The Applicant is an individual residing in the Province of Québec who, at a relevant time, stayed at a Starwood brand hotel;
27. In the aftermath of the Data Breach, the Applicant is gravely concerned about his privacy;

**III. FACTS GIVING RISE TO AN INDIVIDUAL ACTION BY EACH CLASS MEMBER**

28. The facts giving rise to the personal claim of each Class Member against the Defendants are as follows:

- a) Each Class Member has been affected by the Data Breach;
  - b) The Respondents failed to take the security measures necessary to ensure the protection of each Class Member's Personal Information;
  - c) The Respondents have invaded the privacy of each Class Member without his or her consent and without the invasion being authorized by law;
  - d) The Respondents owed duties to each Class Member to protect his or her Personal Information's integrity, and to safeguard that Personal Information against unauthorized access, use or theft;
  - e) The Respondents breached their duties to each Class Member;
  - f) The damages and losses suffered by each Class Member are a direct and proximate result of the Respondents' conduct and their breaches of duties;
  - g) In consequence of the foregoing, the Applicant and the Class Members are justified in claiming the payment of all damages and losses they suffered and continue to suffer due to the Respondents' conduct;
29. The composition of the Class makes it difficult or impracticable to apply the rules for mandates to take part in judicial proceedings on behalf of others or for consolidation of proceedings, with respect to provision 575 (3) of the *Code of civil procedure*, for the following reasons :
- a) It is expected that there are numerous Class Members;
  - b) The names and addresses of people who are members of the Class are unknown to the Applicant, but they are known to the Respondents;
  - c) The facts alleged in the foregoing paragraphs make it difficult, if not impossible, to contact each Class Member to obtain a warrant or to proceed by way of joinder;
30. The Applicant proposes that the class action be brought before the Superior Court, sitting in the district of Québec city, for the following reasons:
- a) The Applicant is domiciled and resides in the Province of Québec;
  - b) The Attorneys for the Applicant practice in the district of Québec city;
  - c) The respondents have business places in the district of Québec city;

- d) It is likely that numerous Class Members reside in Québec city;
31. The questions of fact and law raised by this action which are identical, similar or related and which relate to each Member of the Class to the Defendants and which the Applicant seeks to resolve by this class action are :
- a) Did the Respondents owe duties to :
- Keep their Personal Information confidential?
  - Not disclose their Personal Information except in accordance with their consent or as authorized by law?
  - Secure their Personal Information against unauthorized access, use or theft?
  - Prevent the Data Breach from occurring?
  - Timely detect the Data Breach?
  - Properly respond to the Data Breach?
- b) Did the Respondents breach any of their duties?
- c) Did the Respondents violate the Class Members' rights to respect for their names, reputation and/or privacy?
- d) Did the Respondents fail to abide by the rules of conduct incumbent upon them, according to the circumstances, usage or law, so as not to cause injury to the Class Members, thereby causing injuries to the Class Members as a result of their fault?
- e) Are the Respondents liable to pay any damages or compensation to the Class Members? If so, what are those damages?

#### **IV. NATURE OF THE ACTION AND CONCLUSIONS SOUGHT**

32. The action that the Applicant wishes to institute for the benefit of the Class Members is an action in damages;
33. The conclusions that the Applicant wishes to introduce by way of an application to institute the proceedings are :

GRANT the present motion;



GRANT the Applicant's action on behalf of all the Class Members;

CONDEMN the Respondents, jointly and severally, to pay damages temporarily evaluated at \$50 million, to be enhanced;

CONDEMN the Respondents to pay punitive damages temporarily evaluated at \$7.5 million, to be enhanced;

CONDEMN the Respondents, jointly and severally, to pay the costs incurred for any investigation necessary to establish their liability in this case, including the extrajudicial fees of the lawyers and out-of-court disbursements;

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

CONDEMN the Respondents, jointly and severally, to pay the costs of distributing the funds to the Class Members;

THE WHOLE with the legal interest and the additional indemnity provided under section 1619 of the *Civil Code of Quebec* and with legal costs, including publication fees to advise members and expert fees;

34. The Applicant, who seeks to obtain the status of representative, is able to adequately represent the Class Members, for the following reasons:

- a) He understands the nature of the action;
- b) He is available to dedicate the necessary time for an action and to collaborate with Class Members; and
- c) He does not have any conflict of interests with the other Class Members on the issues common to the Class Members;

35. The present motion is well-founded in fact and in law.

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

**GRANT** the present motion;

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

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

Any person, residing in the province of Québec, whose Personal Information was accessed by unauthorized parties in or as a result of the Data Breach.

\* Personal Information means any information which relates to a natural person and allows that person to be identified.

\*\* The Data Breach means the unauthorized access to the Class Members' Personal Information through the Respondents' computer systems and networks, which was publicly disclosed by the Respondents on November 30, 2018, the events out of which this action arises.

(hereinafter referred to as "**Class Members**") or such other Class definition as may be approved by the Court;

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

- a) Did the Respondents owe duties to :
  - Keep their Personal Information confidential?
  - Not disclose their Personal Information except in accordance with their consent or as authorized by law?
  - Secure their Personal Information against unauthorized access, use or theft?
  - Prevent the Data Breach from occurring?
  - Timely detect the Data Breach?
  - Properly respond to the Data Breach?
- b) Did the Respondents breach any of their duties?
- c) Did the Respondents violate the Class Members' rights to respect for their names, reputation and/or privacy?
- d) Did the Respondents fail to abide by the rules of conduct incumbent upon them, according to the circumstances, usage or law, so as not to cause injury to the Class Members, thereby causing injuries to the Class Members as a result of their fault?

- e) Are the Respondents liable to pay any damages or compensation to the Class Members? If so, what are those damages?

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

GRANT the present motion;

GRANT the Applicant's action on behalf of all the Class Members;

CONDEMN the Respondents, jointly and severally, to pay damages temporarily evaluated at \$50 million, to be enhanced;

CONDEMN the Respondents to pay punitive damages temporarily evaluated at \$7.5 million, to be enhanced;

CONDEMN the Respondents, jointly and severally, to pay the costs incurred for any investigation necessary to establish their liability in this case, including the extrajudicial fees of the lawyers and out-of-court disbursements;

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

CONDEMN the Respondents, jointly and severally, to pay the costs of distributing the funds to the Class Members;

THE WHOLE with the legal interest and the additional indemnity provided under section 1619 of the *Civil Code of Quebec* and with legal costs, including publication fees to advise members and expert fees;

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

**FIX** the delay of exclusion at 60 days from the date of the publication of the notice to the Class Members;

**ORDER** the publication of a notice to the Class Members pursuant to section 591 C.C.P.;

**THE WHOLE** with costs, including all publications fees.

Québec, December 3, 2018

*Siskinds Desmeules*  
**SISKINDS, DESMEULES, AVOCATS**  
(Me Karim Diallo)  
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Lawyers for the Applicant

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Fax : 418-694-0281  
Notification :  
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## **SUMMONS**

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

### **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 Applicant in the office of the Superior Court in the judicial district of Québec.

### **Defendants' answer**

You must answer the application in writing, personally or through a lawyer, at the courthouse of Montréal situated at 300 Boulevard Jean Lesage, Québec (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 an Applicant 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 Applicant '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 originating application, the Applicant intends to use the following exhibits:

**Exhibit P-1 :** Copy of Marriott Intentional statement, dated November 30, 2018;

These exhibits are available on 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 section 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.

Québec, December 3, 2018

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C A N A D A  
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SUMMONS

**BB-6852**

**Casier 15**

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