CANADA

PROVINCE OF QUEBEC DISTRICT OF MONTREAL

SUPERIOR COURT (Class Action)

NO: 500-06-000797-163

DAN ABICIDAN

Representative Plaintiff

-VS-

IKEA CANADA LIMITED PARTNERSHIP

and

1137446 ONTARIO INC.

and

IKEA LIMITED

and

IKEA PROPERTIES LIMITED

and

INTER IKEA SYSTEMS B.V.

Defendants

and

LPC AVOCAT INC.

Representative Plaintiff's Attorney

APPLICATION TO APPROVE A CLASS ACTION SETTLEMENT AND FOR APPROVAL OF CLASS COUNSEL'S FEES

(Articles 590, 591 and 593 C.C.P., article 58 of the Regulation of the Superior Court of Québec in civil matters, CQLR c. C-25.01, r 0.2.1, and article 32 of the Act Respecting the Fonds d'aide aux actions collectives, c. F- 3.2.0.1.1)

TO THE HONOURABLE PIERRE-C. GAGNON OF THE SUPERIOR COURT OF QUEBEC, DESIGNATED JUDGE IN THE PRESENT CLASS ACTION, THE REPRESENTATIVE PLAINTIFF AND HIS COUNSEL SUBMIT THE FOLLOWING:

I. <u>INTRODUCTION</u>

1. On June 28, 2016, the Representative Plaintiff filed his Application to Authorize the Bringing of Class Action and to Appoint the Status of Representative Plaintiff against the Defendants (collectively "IKEA"). An amended version was filed on September 21, 2018 (the "Amended Authorization Application");

- 2. In brief, the Representative Plaintiff's allegations were, amongst others, that: (i) IKEA failed in its obligation to mention an important fact in its representations made to consumers about its chests of drawers (s. 228 C.P.A.); and (ii) IKEA's recall program in Canada was inadequate because it did not offer a free pick-up service as it was offered by IKEA's entity in the United States (Amended Authorization Application at paras. 9.1 and 88);
- IKEA filed an application for permission to examine the Representative Plaintiff and 3. to file relevant evidence, which was granted by the Honourable Danielle Turcotte, J.S.C., on June 9, 2017 (Abicidan c. Ikea Canada, 2017 QCCS 2543). The Representative Plaintiff was examined on May 29, 2018 out of court:
- 4. The authorization hearing was held on October 16, 2018 and the class action was authorized by the Honourable Chantal Tremblay, J.S.C., on December 5, 2018 (Abicidan c. Ikea Canada, 2018 QCCS 5279);
- 5. The class is described as follows in the authorization judgment:

Tous les consommateurs au sens de la Loi All consumers within the meaning Canada, à savoir les modèles suivants : ASKVOLL. BRIMNES. BRUSALI, BUSUNGE, HEMNES, HURDAL, IKEA PS | HEMNES, 2012, KOPPANG. KULLEN, MALM, NORNÄS, STOCKHOLM, STUVA, SUNDVIK, TARVA, TROGEN, TRYSIL, TROGEN, TYSSEDAL, UNDREDAL, Alesund, Alleby, Alvesta, Aneboda, Angus, Ånes, Arup. Askedal, Aspelund, Balstar, Bankeryd, BJÖRN, Brett, Boksta, Haideby, Haddal, Hensvik, Lo, Lomen, Mac, Mast, Mammut, Mandal, Nordnes, Nyvoll, Ottenby, Rakke, Ramberg,

sur la protection du consommateur du Quebec's Consumer Protection Act who Québec qui, entre le 1er janvier 2002 et le 28 between January 1st, 2002 and June 28, juin 2016, ont acheté des commodes pour 2016 purchased IKEA's children chests of enfants de plus de 60 cm (23 ½ pouces) ou drawers taller than 60 cm (23 ½ inches) or des commodes pour adultes de plus de 75 adult chests of drawers taller than 75 cm (29 cm (29 ½ pouces) rappelées par IKEA ½ inches) recalled by IKEA Canada namely following models: ASKVOLL, the BRIMNES. BRUSALI, BUSUNGE. HURDAL, IKEA PS 2012, KOPPANG, KULLEN, MALM, NORNÄS, STOCKHOLM, STUVA, SUNDVIK, TARVA, TRYSIL, TYSSEDAL, UNDREDAL, Alesund, Alleby, Alvesta, Aneboda, Angus, Ånes, Arup, Askedal, Aspelund, Balstar, Bankeryd, Bergsmo, Bergsmo, Bialitt, Birkeland, Blimp, Boj, Bialitt, Birkeland, Blimp, Boj, Brett, Boksta, BÖRKVALLA, BJÖRN, BÖRKVALLA, Diktad, Edland, Elis, Diktad, Edland, Elis, Engan, Eksil, Fjell, Engan, Eksil, Fjell, Fjord, Flaten, Fridolin, Fjord, Flaten, Fridolin, Granås, Gute, Granås, Gute, Haddal, Hajdeby, Hensvik, Herrestad, Herrestad, Holleby. Hovdal, Hopen, Holleby, Hovdal, Hopen, Hosteland, Kabin, Hosteland, Kabin, Kirkenes, Knot, Kusk, Kirkenes, Knot, Kusk, Kurs, Kviby, Leksvik, Kurs, Kviby, Leksvik, Lo, Lomen, Mac, Mast, Mammut, Mandal, Meråker, Midsund, Meråker, Midsund, Natura, Narvik, Nordli, Natura, Narvik, Nordli, Nordnes, Nyvoll, Ottenby, Rakke, Ramberg, Ranvik, Rodd, Ranvik, Rodd, Robin, Rustik, Sala, Skarnes, Robin, Rustik, Sala, Skarnes, Sandefjord, Sandefjord, Stranda, Sveio, Stavanger, Stranda, Sveio, Stavanger, Tassa, Tovik,

Tassa, Tovik, Trandum, Trondheim, Varde,	Trandum, Trondheim, Varde, Vajer, Vallvik,
Vajer, Vallvik, Vestby, Vinstra, Visdalen,	Vestby, Vinstra, Visdalen, Vollen.
Vollen.	

- 6. On March 5, 2019, the Court of Appeal dismissed IKEA's Application for Leave to Appeal (*Ikea Canada c. Abicidan*, 2019 QCCA 383);
- 7. While the Representative Plaintiff was preparing to file his Originating Application and to propose a notice plan, the parties entered into settlement negotiations and were able to reach the terms of settlement agreement;
- 8. On April 16, 2019, the parties therefore asked the Court to postpone the publication of the notices to class members, which was granted;
- 9. After lengthy negotiations, the parties eventually communicated the settlement materials to the Court on March 4, 2020. A copy of the executed agreement (the "Settlement Agreement") is filed herewith as Exhibit S-1;
- 10. On May 18, 2021, the Court notably approved the notice plan and scheduled the approval hearing for June 30, 2021;
- 11. The pre-approval notices were disseminated in accordance with the Distribution Protocol approved by the Court, as it appears from a copy of the affidavit sworn by Nadia Monteleone, Deputy Customer Support Centre Manager at the Customer Support Centre at IKEA, filed as **Exhibit S-2**;
- 12. The Claims Administrator also created, as per the Settlement Agreement and May 18, 2021 judgment, a Settlement Website (http://chestofdrawerssettlement.com/) for this class action, in both French and English, containing the pre-approval notices, the claim form and additional information related to the class action and its settlement;
- 13. Additionally, Class Counsel published the Settlement Agreement, as well as the long form pre-approval notice in its French and English versions on Class Counsel's website dedicated to this class action (https://www.lpclex.com/ikea), and sent an email to the individuals who "signed up" to this class action on Class Counsel's website containing a hyperlink to the long form pre-approval notice. These documents were also uploaded to Quebec's Class Action Registry;
- 14. Class Members were also able to learn about the settlement in the media. On June 1, 2021, details of the settlement, as well as a hyperlink to the Settlement Website, were published in the *Journal de Montréal* and on the *TVA Nouvelles* website in an article titled "*IKEA va ramasser gratuitement des commodes à risque*". On June 8, 2021, *Protégez-Vous* published an article titled "*IKEA reprend les commodes visées par une action collective*", the whole as it appears from these articles filed *en liasse* as **Exhibit S-3**;

- 15. To date, no objections to the Settlement Agreement were received by Class Counsel or the Claims Administrator, while one (1) person requested to opt-out, **Exhibit S-4** (the deadline for both is June 28, 2021);
- 16. Several Class Members contacted Class Counsel in support of the settlement, as it appears from some of these emails communicated *en liasse* as **Exhibit S-5**;
- 17. Class Members have until July 28, 2021 to complete a claim form (Schedule C) in order to obtain their Free-Pick up and refund;
- 18. Section 4.1.1 of the Distribution Protocol provides for a mechanism for Class Counsel to assist Class Members who would have submitted incomplete claims;
- 19. The Parties have agreed, at section 4 of the Distribution Protocol (Schedule A), that after determining if the claim is eligible for Compensation, the Claims Administrator will contact Class Members to schedule the Pickup Service without further notice. Section 4.1.2 provides that the Claims Administrator shall send Class Members who submitted valid claims a full refund card by mail which can be presented in an IKEA store for conversion to the original method payment (i.e. the refund card can be converted in cash or transferred to a credit card) or issue a refund to a credit card initiated over the phone and completed through a secure portal;
- 20. Lastly, the Settlement Agreement provides for the settlement of the collective claims of class members, and also extinguishes (within the meaning of article 589 C.C.P.) the Representative Plaintiff's personal claim. Given that the question concerning the application of article 589 C.C.P. in the context of a settlement is before the Court of Appeal, the parties have agreed to suspend this request until the Court of Appeal rules on the issue (*Pasaje c. Fonds d'aide aux actions collectives*, C.A. no: 500-09-029566-213; C.S.M. no: 500-06-000915-187);
- 21. For the reasons that follow, the Representative Plaintiff asks that this Court approve the Settlement Agreement;

II. APPROVAL OF THE SETTLEMENT AGREEMENT

- 22. The criteria which the case law has established for approval of a class action settlement are the following:
 - i) The probability of success;
 - ii) The amount and nature of discovery;
 - iii) The terms and conditions of the Settlement Agreement;
 - iv) The attorneys' recommendation and their experience;
 - v) Approval of the Plaintiff;

- vi) The future expenses and probable length of the litigation;
- vii) The number and nature of any opt-outs and/or objectors;
- viii) Good faith of the parties and the absence of collusion;
- 23. The Representative Plaintiff submits that an analysis of all of these criteria should lead this Court to conclude that the Settlement Agreement is fair and reasonable and in the best interest of Class Members;

i. The Probability of Success

- 24. While the Representative Plaintiff maintains that his action is well-founded, IKEA denies any liability to the Class Members, as substantiated in the preamble of the Settlement Agreement (Whereas "F" and "I" at page 2) and in its Sections 10.5 and 10.16;
- 25. The parties would have entered into a serious and contradictory debate as to whether IKEA committed the alleged violations of the various provisions of the C.P.A. raised by the Representative Plaintiff, and then whether the Class Members suffered any damages (under the Recall IKEA is offering full refunds for anyone who no longer wants the chests of drawers and brings them back to an IKEA store since 2016);
- 26. This debate would have required the parties to hire experts and bring in consumers to testify at trial in order to counter each other's claims;
- 27. In any file, there is a risk that: i) the class action may not be successful on the merits; or ii) it would be impossible to recover any damages even if it were successful on the merits after many years of litigation, and these risks are abated through the Settlement Agreement which guarantees compensation to Class Members;

ii. The Amount and Nature of Discovery

- 28. Given the nature of the action and the settlement terms, this criterion is less relevant than in other class action settlement;
- 29. Nonetheless, in reaching the terms of the Settlement Agreement, the following was considered regarding the substantial discovery and evidence-gathering that would be required to litigate the case should it proceed to the merits:
 - a) According to the November 21st, 2017 CBC News article titled "Ikea reminds customers ee about Malm dresser recall after 8th child dies", IKEA, has sold over 143 million affected Chests as of the Recall in June of 2016, of which 4.5 million were sold in Canada (this article was filed as Exhibit P-8 in support of the Amended Authorization Application. See also paras. 9.1, 11 and 76 thereof);

- b) According to the same article, as of November 21, 2017 (approximately 5 months after the Recall Notice was issued), only 111,642 chests of drawers have been returned in Canada out of the 4.5 million recalled;
- c) The parties would have spent important resources and would have required complex expert reports, including reports from furniture designers to establish fault, as well as a report from a forensic accountant to determine the aggregate damages;
- d) The parties would have tendered a great deal of evidence on, among other things, whether IKEA's recall program was adequate;
- e) The evidence in support of the claim would have been complicated to adduce, notably due to the fact that IKEA has always contended that: i) it advised its customers to secure the furniture to the wall and provided them with the tools and instruction to do so; ii) it did not mislead or fail to inform consumers about the safety of its chest of drawers; and (iii) that its recall program was adequate;

iii. The Terms of the Settlement Agreement

- 30. The Settlement Agreement is a favourable result for Class Members in that it addresses one of the main issues in dispute (i.e the recall benefits did not include a free pick-up service), provides for a resolution of the litigation, and provides for the following noteworthy benefits, as detailed at Section 5 of the Settlement Agreement:
 - a) IKEA's voluntary recall program launched on June 26, 2016 remains in force (section 5.2). Class Members can therefore receive a:
 - Free anchoring kit by mail or in-store (**section 5.2.1**);
 - Free in-home anchoring kit installation service (section 5.2.2). This
 service is not expressly mentioned in IKEA's recall (see Exhibit P-1
 in support of the Amended Authorization Application) although is
 expressly provided for in the Settlement Agreement and notices;
 - Full refund for Chests of Drawers manufactured between January 2002 and June 2016 by bringing them to any IKEA location (section 5.2.3);
 - Partial store credit for Chests of Drawers manufactured prior to January 2002 by bringing them to any IKEA location (section 5.2.4);
 - There is a limit of six (6) Chests of Drawers by Pickup and one (1) Pickup per residence.
 - b) Free Pickup Service (section 5.3): In addition to the recall benefits listed above, the Settlement Agreement provides that for Quebec residents only

- IKEA will pick up the chests of drawers in the province of Quebec for anyone who is unable to return their Chests of Drawers to an IKEA store;
- c) The Claim Form (Schedule C) is made available online and is simple to complete and submit. For instance, the Claim Form states that Class Members can provide a "photograph" as a proof of purchase;
- d) Class Members can also call the IKEA Customer Support Centre at 1-888-444-5596 for a free Pickup Service in the province of Quebec for any questions (section 5.3.1);
- e) There is a limit of one (1) Pickup per Residence and six (6) Chests of Drawers per Pick Up (section 5.3.2). The parties agree that this is a fair compromise that balances Class Members rights, but avoids the temptation of fraudulent claims (for instance, someone purchasing many used chests of drawers on Kijiji for a fraction of the price and returning them for a 100% refund from IKEA);
- f) Authorized Claimants will receive the full refund amount on a Refund Card by mail. A Refund Card can be used at any IKEA store in Canada. A Refund Card can also be presented in an IKEA store for conversion to the original method of payment (i.e. the Refund Card can be converted into cash or transferred to a credit card). Class Members can also receive a full refund to his/her credit card which can be initiated over the phone and completed through a secure portal (section 5.3.2);
- 31. To recap, the principal advantage of the Settlement Agreement is that Quebec residents will benefit from a free pickup of their chests of drawers; Clearly, this is a direct result of the class action and settlement thereof;
- 32. Moreover, there is no limit or cap to the number of claims across Quebec (other than the limit 1 pick-up per person and of 6 dressers per person). To give an idea of the "value" of each pickup, according to IKEA's website its "In-home Delivery" service costs \$49.00 plus taxes (for delivery in Montreal) and \$59.00 plus taxes for delivery in Quebec City, as it appears from **Exhibit S-6**;

iv. The Attorneys' Recommendations and their Experience

- 33. The law firms retained by each of the parties have significant expertise in class actions;
- 34. The terms of the settlement were negotiated at arm's length;
- 35. Class Counsel, whose practice is focused in the area of consumer class actions, has negotiated and recommended the terms and conditions of the Settlement Agreement;

36. Class Counsel believes that the Settlement Agreement adequately addresses the issues raised in the class action, respects the rule of proportionality and provides considerable relief and benefits to the Class Members in the circumstances and in light of the risks that would arise from continuing the litigation;

v. Approval of the Representative Plaintiff

37. The Representative Plaintiff provided his instructions to enter into the Settlement Agreement on his own behalf and on behalf of the Class Members and instructed his attorney to sign the Settlement Agreement, as it appears from the Representative Plaintiff's affidavit, **Exhibit S-7**;

vi. The Future Expenses and Probable Length of the Litigation

- 38. If the case were to proceed in an adversarial fashion, there is no doubt that there would be protracted litigation and significant costs;
- 39. In addition, the present action could take several years to be decided on the merits and there would have been a possibility that a successful judgment could be brought into appeal, causing further delays;
- 40. Conversely, having obtained a settlement in the form of direct compensation is in the interests of judicial economy, proportionality and a favourable result for Class Members:

vii. The Number and Nature of any Opt-Outs and/or Objectors

- 41. Following the publication and dissemination of the pre-approval notices (as mentioned at paragraphs 11 to 14 above), to date one (1) class member has requested to opt-out of this class action (Exhibit S-4) and no class members have filed any objections to the Settlement Agreement;
- 42. The deadline to opt-out or to object to the settlement is June 28, 2021;

viii. Good Faith of the Parties and the Absence of Collusion

- 43. The Settlement Agreement was negotiated at arm's-length and in good faith;
- 44. The negotiations that led to the Settlement Agreement were adversarial in nature and took place over a protracted period of time. Some of the notable steps leading up to the settlement are detailed at paras. 1 to 11 above;
- 45. For all of the reasons set forth in the present application, the Representative Plaintiff and his counsel believe that the Settlement Agreement is a favorable result for Class Members and, as such, is fair and reasonable and ought to be approved;

III. APPROVAL OF CLASS COUNSEL FEES AND DISBURSEMENTS

- 46. IKEA has agreed to pay class counsel fees (\$197,500.00 plus taxes), and disbursements and expenses (\$2,500.00 plus taxes) in accordance with sections 2.13 and 7.1 of the Settlement Agreement;
- 47. Consistent with the terms of the Settlement Agreement, Class Counsel is requesting that this Honourable Court approve these amounts;
- 48. The following criteria have been developed by the jurisprudence in order to determine whether Class Counsel's fees are fair and reasonable:
 - i) Time and effort expended by the attorneys on the litigation;
 - ii) The importance of the class action;
 - iii) The degree of difficulty of the class action;
 - iv) Class counsel's experience and expertise in a specific field;
 - v) The risks and responsibilities assumed by class counsel;
 - vi) The result obtained;
 - vii) Fees not contested:
- 49. It is respectfully submitted that the class counsel fees are fair, reasonable and justified in the circumstances for the reasons that follow:

i. Time and effort expended by the attorneys on the litigation

- 50. The Representative Plaintiff's Authorization Application was initially filed 5 years ago (i.e. on June 26, 2016);
- 51. To date, the Representative Plaintiff's attorneys worked over 350 hours on this file up until June 22, 2021 and the work is ongoing (the Approval Hearing is scheduled for June 30, 2021). Some of the notable work invested in this file is detailed at paragraphs 1 to 11 above;
- 52. Class Counsel will devote additional time to complete and oversee the implementation of the settlement (including the claims process and contestation process provided for at **section 4.1.1** of the Distribution Protocol), additional time that will not be submitted to this Honourable Court for a fee request and is already contemplated by the total amount of fees requested;
- 53. Class Counsel has dedicated significant time to the present file, as detailed herein, all without any guarantee of payment. It should be noted that the mandate agreement with the Representative Plaintiff provides for the following calculation of Class Counsel fees, as appears from **Exhibit S-8**:

- 4. Je comprends que ce litige sera poursuivi sur une base de pourcentage. En tant que tel, aucun frais d'avocat, débours, coûts ou taxes ne seront facturés, à moins que le litige ne soit réussi, que ce soit par règlement ou par jugement. Par souci de clarté, il est convenu qu'aucune somme ne sera réclamée ou due par le représentant en aucun cas et que les honoraires payables aux procureurs du groupe seront payés par les défenderesses;
- 5. Conformément au paragraphe 4 ci-dessus, je consens à ce que mon procureur reçoive, retienne et conserve le paiement de toute somme reçue pour mon compte et pour le compte de tous les autres membres du groupe, incluant :
 - a) Les débours et autres charges liées au présent mandat, comme les déplacements, les livraisons, les honoraires ou charges de tiers, les frais d'interurbains, les photocopies et les télécopies;
 - b) Les honoraires extrajudiciaires du montant le plus élevé des deux calculs suivants :
 - i. Un montant égal à trente pour cent (30%) de la somme perçue (incluant les intérêts) en relation avec la présente action collective, de quelque source que ce soit (plus toutes les taxes applicables), par transaction ou à la suite d'un jugement, et ce, dès l'ouverture du présent dossier.

ou

ii. Un montant égal à multiplier le nombre total d'heures travaillées par mon avocat en fonction de son taux horaire, qui est actuellement 300 \$ de l'heure plus taxes. Ce montant sera ensuite multiplié par un multiplicateur de 3,5 pour arriver aux honoraires extrajudiciaires totale (les taux horaires sont revus sur une base annuelle et sont donc sujets à des augmentations éventuelles).

Ces honoraires extrajudiciaires s'étendent aux sommes perçues pour et au nom de tout le groupe et des sous-groupes visé par la présente action collective, et sont en sus des honoraires judiciaires qui pourraient être attribués audit procureur. Dans le cas où un montant spécifique n'est pas attribué collectivement ou dans l'ensemble, que ce soit par règlement ou par jugement, ou lorsque chaque membre du groupe est indemnisé uniquement pour sa réclamation individuelle, section b. (i) ci-dessus doit être interprétée comme signifiant trente

pour cent (30%) plus taxes de la valeur totale comme si tous les membres du groupe avaient fait une telle réclamation;

- 54. The amount of Class Counsel fees requested represents less than a **1.90 multiplier** of the time expended to date. This amount is less than what is provided for in the mandate agreement, which Class Counsel has agreed to lower as a compromise for the purpose of settlement;
- 55. At all times, this litigation was complex, high-risk, and hard-fought. Class Counsel conducted extensive legal and factual research in support of this claim and conducted protracted settlement negotiations;
- 56. The process of finalizing the Settlement Agreement and the related exhibits and other documents continued for many months following the achievement of a settlement in principle. Further work will also be undertaken in anticipation of the settlement Approval Hearing, including the preparation of the present application and the argument plan to submit to the court in support thereof for the Approval Hearing on June 30, 2021;
- 57. Moreover, Class Counsel will expend additional time assisting Class Members with the online Claims Form and will work with IKEA's counsel and the Claims Administrator throughout the claims process and towards a closing judgment; there is therefore significant time that will be spent and not further claimed by Class Counsel;

ii. The importance of the class action

- 58. The issues of consumer protection as alleged by the Representative Plaintiff against IKEA in his Amended Authorization Application are directly related to access to justice for more a very important number of consumers in this case;
- 59. Often, claims of this nature are consumer claims involving complicated evidentiary and technical issues, but yet relatively small sums of money. For instance, in the present case, the average delivery charged by IKEA ranges from \$50 to \$60 plus taxes:
- 60. Questions of consumer protection are considered important and often can only be pursued through class actions because individually, a person would not have the means to obtain justice against large corporations who have considerable financial resources at their disposal;
- 61. If it were not for this class action, Class Members would not have been likely to institute individual actions to force IKEA to broadcast and offer the free Pickup Service in the province of Quebec;
- 62. As such, this class action has allowed Class Members to achieve justice without wasting judicial resources;

iii. The degree of difficulty of the class action

- 63. Among some of the difficulties would have been to counter the defenses raised by IKEA at the authorization hearing, in particular that IKEA did not commit a fault given the voluntary recall program and full refunds offered to Class Members who returned their chests of drawers to an IKEA store:
- 64. IKEA would have produced numerous witnesses and expert evidence to counter the Representative Plaintiff's assertions and to back up its claims that it committed no fault and that Class Members suffered no damages;
- 65. A very significant amount of time, energy, and resources would have been necessary to counter IKEA's factual and expert evidence, as well as their legal arguments;
- 66. In sum, Class Members would have faced complex evidentiary issues in order to establish IKEA's fault and then would have faced the challenge of proving damages;
- 67. Consequently, a significant risk was taken on by Class Counsel in accepting this mandate;

iv. Class Counsel's experience and expertise in a specific field

- 68. Class Counsel's practice is focused almost entirely on plaintiff-side consumer class actions and Class Counsel is actively involved in a number of class actions both in Quebec and nationally, the whole as it appears from the firm's biography filed herewith as **Exhibit S-9**:
- 69. Given that LPC Avocat Inc. specializes in class action litigation, the vast majority of its work is done on a contingency basis, meaning that for cases that are not successful, the firm receives no payment for work performed, which in some cases is quite significant;
- 70. The professional services offered by LPC Avocat Inc. are unusual and require specific expertise and professionalism;
- 71. Often, in this type of work, communication with the public is also necessary, (e.g. by communicating with Class Members and with the media, maintaining and updating a website, etc.). This requires the firm to be more proactive to protect the interests of the Class Members whom they represent;
- 72. There is only a small number of attorneys who take on class action matters in Quebec and in Canada;

v. The risk assumed by Class Counsel

- 73. As is oftentimes the case in class actions, the risk of success or failure is borne entirely by Class Counsel. In the present case, Class Counsel took on the entire case on a contingency basis;
- 74. This meant that neither the Representative Plaintiff nor any Class Members were asked to contribute any fees for the time spent on the file, nor for any of the disbursements made on their behalf by Class Counsel;
- 75. Class Counsel assumed all costs and financial risks associated to the present class action and did not receive any funding from the *Fonds d'aide aux actions collectives*;
- 76. Given that in the case of failure, Class Counsel receives nothing and even risks a financial loss in the case of success, they should be properly compensated for their efforts and for the risk (both in time and money) that they have assumed;
- 77. Class Counsel has worked diligently to advance this litigation to the point of settlement, without any payment for its fees or any guarantee of payment. It is now asking the Court to apply its mandate agreement, Exhibit S-8, in order to be fairly compensated for the result achieved;
- 78. To conserve and to safeguard the important societal benefits preserved by class actions, especially in the area of consumer protection, it is important that Class Counsel receive a fair payment on their time to provide the appropriate incentive to future counsel;

vi. The result obtained

- 79. The result obtained in this case is very good for Class Members considering all of the above. Class Members can have their chests of drawers picked up free of charge by IKEA and will easily be able to benefit from the recall (i.e. receive a full or partial refund for the chests);
- 80. To avoid repetition, we refer to paragraphs 30 to 32 above describing the advantages of the Settlement Agreement;

vii. Fees, costs and disbursements not contested

- 81. As part of the settlement, IKEA has agreed to pay the Class Counsel fees, costs and disbursements (see sections 2.13 and 7.1 of the Settlement Agreement);
- 82. Further, no Class Member has indicated their intention to contest the request for Class Counsel fees, costs and disbursements (that were indicated in the notice) nor has any Class Member indicated their intention to object to the terms of the Settlement Agreement;

IV. APPROVAL OF CLAIMS ADMINISTRATION FEES

- 83. Under the terms of the Settlement Agreement, it was negotiated and agreed that IKEA would assume the costs of the Administrative Expenses. These Administrative Expenses are made separate from and in addition to the compensation to Class Members. They are assumed by IKEA even if the Settlement Agreement is terminated or if the Settlement is not ultimately approved by the Court;
- 84. As such, the amount paid for the Administrative Expenses will in no way affect or diminish the Compensation available to Class Members pursuant to the Settlement Agreement;

PAR CES MOTIFS, PLAISE AU TRIBUNAL:	FOR THESE REASONS, MAY IT PLEASE THE COURT :
[1] ACCUEILLIR la demande en approbation de l'Entente de règlement et en approbation des honoraires des procureurs du groupe;	GRANT the Application to Approve a Class Action Settlement and for Approval of Class Counsel's Fees;
[2] DÉCLARER que les définitions contenues dans l'Entente de règlement, à l'exception de la définition du « Groupe » discutée ci-dessous, s'appliquent et sont incorporées au présent jugement, et en conséquence en font partie intégrante, étant entendu que les définitions lient les parties à l'Entente de règlement;	DECLARE that the definitions set forth in the Settlement Agreement, except for the definition of the "Class" discussed below, apply to and are incorporated into this judgment, and as a consequence shall form an integral part thereof, being understood that the definitions are binding on the parties to the Settlement Agreement;
membres du Groupe donnant quittance aux défenderesses sont tous des consommateurs au sens de la <i>Loi sur la</i>	CONFIRM AND DECLARE that Class Members giving a release to the Defendants are all consumers within the meaning of Quebec's Consumer Protection Act, as defined at paragraph 78 of the authorization judgment dated December 5, 2018;
[4] APPROUVER l'Entente de règlement (« Settlement Agreement ») conformément à l'article 590 du Code de procédure civile du Québec, et ORDONNER aux parties de s'y conformer;	transaction pursuant to article 590 of the Code of Civil Procedure, and ORDER the
(incluant son préambule et ses annexes) est juste, raisonnable et qu'elle	DECLARE that the Settlement Agreement, (including its Preamble and its Schedules) is fair, reasonable and in the best interest of the Class Members and constitutes a

Groupe et qu'elle constitue une transaction transaction pursuant to article 2631 of the en vertu de l'article 2631 du Code civil du Civil Code of Quebec, which is binding upon Québec, qui lie toutes les parties et tous les all parties and all Class Members as set Membres du Groupe tel qu'énoncé aux forth herein; présentes: [6] ORDONNER ET DÉCLARER que le ORDER **AND DECLARE** that this présent jugement, incluant l'Entente de judgment, including the Settlement règlement, lie chaque Membre du Groupe Agreement, shall be binding on every visé par le règlement; Settlement Class Member: [7] DÉCLARER que les membres du DECLARE that Class Members who wish to Groupe qui souhaitent soumettre une submit a claim for a free Pickup Service réclamation pour un service de ramassage must do so in the manner provided for in the gratuit doivent le faire de la manière prévue pre-approval notice (Schedule C) by July dans l'avis de pré-approbation (annexe C) 28, 2021; avant le 28 juillet 2021; [8] APPROUVER le paiement aux Avocats APPROVE the payment to Class Counsel of Groupe de leurs honoraires lits extraiudicial fees. costs and extrajudiciaires, frais et débours tel que disbursements as provided for at section 7.1 prévu à l'article 7.1 de l'Entente de of the Settlement Agreement; règlement; [9] ORDER the parties to render account of ORDER the parties to render account of the the execution of the judgment upon receipt execution of the judgment upon receipt of of the closing report from the Claims the closing report from the Claims Administrator: Administrator: [10] REPORTER la présentation de la POSTPONE the presentation of the créance application concerning the Representative demande concernant la personnelle du demandeur à une date et Plaintiff's personal claim to a date and time une heure à une date et une heure à to be determined after a final judgment is déterminer après qu'un jugement final ait rendered in Pasaje c. Fonds d'aide aux été rendu dans le dossier Pasaje c. Fonds actions collectives (C.A. 500-09no. d'aide aux actions collectives (C.A. no. 500- 029566-213); 09-029566-213); [11] LE TOUT, sans frais de justice. THE WHOLE, without legal costs.

Montreal, June 22, 2021

(s) LPC Avocat Inc.

LPC AVOCAT INC.

Me Joey Zukran Attorney for the Representative Plaintiff 276, rue Saint-Jacques Street, Suite 801

Montréal, Québec, H2Y 1N3 Telephone: (514) 379-1572

Fax: (514) 221-4441

Email: <u>jzukran@lpclex.com</u>

AFFIDAVIT OF JOEY ZUKRAN

- I, Joey Zukran, attorney, practicing my profession at 276 Saint-Jacques, Suite 801, Montreal, Quebec, H2Y 1N3, solemnly affirm:
- 1. That I am the attorney for the Representative Plaintiff in the present Action;
- 2. That I have taken cognizance of the Application attached and the facts alleged therein are accurate to the best of my knowledge;
- 3. That said Application is made in good faith.

AND I HAVE SIGNED

Joey Zukran

Solemnly affirmed before me at Montreal this 22 day of June, 2021

Miranda Pender Commissioner of oaths for quebec

230 880 (by technological means

CANADA

PROVINCE OF QUEBEC DISTRICT OF MONTREAL

SUPERIOR COURT (Class Action)

NO: 500-06-000797-163

DAN ABICIDAN

Representative Plaintiff

-VS-

IKEA CANADA LIMITED PARTNERSHIP ET ALS.

Defendants

LIST OF EXHIBITS

Exhibit S-1: Copy of the IKEA Settlement Agreement;

Exhibit S-2: Affidavit of Nadia Monteleone on behalf of IKEA;

Exhibit S-3: En liasse, copies of the newspaper articles from June 2021;

Exhibit S-4: Copy of the one opt-out request;

Exhibit S-5: En liasse, copies of the emails sent by class members to class

counsel (redacted);

Exhibit S-6: En liasse, screen captures of IKEA's website concerning delivery;

Exhibit S-7: Affidavit of Dan Abicidan;

Exhibit S-8: Copy of the mandate agreement;

Exhibit S-9: Copy of Class Counsel's biography;

Montreal, June 22, 2021

(s) LPC Avocat Inc.

LPC AVOCATING.

Me Joey Zukran

NOTICE OF PRESENTATION

TO: Mtre Anne Merminod BLG 1000, rue De La Gauchetière Ouest, bureau 900

Montréal, QC, H3B 5H4 AMerminod@blg.com

Counsel for the Defendants

TAKE NOTICE that the present *Application to Approve a Class Action Settlement and for Approval of Class Counsel's Fees* shall be presented for adjudication before the Honourable Pierre-C. Gagnon, J.S.C., on **June 30, 2021 at 9:30 a.m. via TEAMS broadcasted in room 17.09** of the Montreal Courthouse, situated at 1 Notre-Dame Street East, Montréal (Quebec), H2Y 1B6.

Montreal, June 22, 2021

(s) LPC Avocat Inc.

LPC AVOCATINC.

Me Joey Zukran Attorney for the Representative Plaintiff 276, rue Saint-Jacques Street, Suite 801 Montréal, Québec, H2Y 1N3

Telephone: (514) 379-1572

Fax: (514) 221-4441

Email: jzukran@lpclex.com

500-06-000797-163

DISTRICT OF MONTREAL SUPERIOR COURT (Class Action)

DAN ABICIDAN

Representative Plaintiff

IKEA CANADA LIMITED PARTNERSHIP

Defendants

APPLICATION TO APPROVE A CLASS ACTION SETTLEMENT AND FOR APPROVAL OF CLASS COUNSEL'S FEES

CQLR c. C-25.01, r 0.2.1, and article 32 of the Act Respecting Regulation of the Superior Court of Québec in civil matters, the Fonds d'aide aux actions collectives, c. F- 3.2.0.1.1) (Articles 590, 591 and 593 C.C.P., article 58 of the

ORIGINAL

Me Joey Zukran LPC AVOCAT INC.

276, rue Saint-Jacques, Suite 801

Telephone: (514) 379-1572 - Fax: (514) 221-4441 Email: <u>jzukran@lpclex.com</u> Montréal, Québec, H2Y 1N3

BL 6059

N/D: JZ-108