
**NOTICE OF TRANSACTION – CLASS ACTION CONCERNING CERTAIN FEES
CHARGED BY NATIONAL BANK OF CANADA FOLLOWING A BORROWER’S
DEFAULT UNDER THEIR MORTGAGE AGREEMENT AND THE ISSUANCE OF A
PRIOR NOTICE OF THE EXERCISE OF AN HYPOTHECARY RIGHT**

(SUPERIOR COURT OF QUEBEC NO: 700-06-000009-185)

TAKE NOTICE that, on July 5, 2021, the Court approved the settlement in the class action concerning certain fees charged by National Bank of Canada (the “**Bank**”) following a borrower’s default under their mortgage agreement and the issuance of a prior notice of the exercise of an hypothecary right. The persons concerned by this settlement are the following (the “**Class Members**”):

MAIN GROUP

All natural persons and all legal persons established for a private interest, partnerships, associations or other groups without legal personality (individually a “Member” or collectively the “Members”) who were given a prior notice of the exercise of an hypothecary right by the defendant, National Bank of Canada, and from whom the defendant and/or its employees, representatives, agents or attorneys required fees for professional services or illegitimate fees to recover the capital or the interest secured by the mortgage or to preserve the charged property, for the period (the “Relevant Period”) from May 10, 2015 to the date of the final judgment on the merits, inclusively;

CONSUMER GROUP

All natural persons (individually a “Member” or collectively “Members”) who were given a prior notice of the exercise of an hypothecary right by the defendant, National Bank of Canada, and from whom the defendant and/or its employees, representatives, agents or attorneys required fees for professional services or illegitimate fees to recover the capital or the interest secured by the mortgage or to preserve the charged property, during the period (the “Relevant Period”) from May 10, 2015 to the date of the final judgment on the merits, inclusively.

Summary of the Settlement

You are concerned by this settlement if you meet the definition of Class Member set out above.

Pursuant to this settlement, the Bank agrees to pay, without prejudice or admission and for the sole purpose of avoiding the expense and delay of litigation, the sum of \$2,000,000 (the “**Settlement Amount**”) to certain Class Members as a full and final settlement of all claims against it. It is important to note that only Class Members who meet certain established criteria will be eligible to receive an indemnity.

First, the Settlement Agreement provides that no indemnity will be paid to the following Class Members: (a) those against whom the Bank has exercised a taking in payment;

and (b) those against whom the Bank has exercised a sale under judicial authority that resulted in a realizable value inferior to the Bank's claim.

Further, the Settlement Agreement provides that only the following fees and expenses charged to Class Members will be subject to indemnification under this settlement: insurance costs, collection costs, monthly management fees, maintenance or repair costs, and attorneys' fees and disbursements (the "**Eligible Fees**"). Other fees and expenses charged to Class Members shall not be subject to indemnification.

The Settlement Amount shall be distributed, net of the Class Members counsels' fees, costs, disbursements and applicable taxes, on a pro rata basis, to those Class Members to whom the Bank, according to its records, has charged Eligible Fees.

In consideration thereof, all persons, who were given a prior notice of the exercise of an hypothecary right by the defendant, National Bank of Canada, and to whom the defendant and/or its employees, representatives, agents or attorneys required fees to recover the capital or interest secured by the mortgage or to preserve the charged property, for the period from May 10, 2015 until the judgment approving the settlement, grant a full and final release to the defendant, National Bank of Canada, and its insurers, agents, assigns, shareholders, directors, heirs, successors, related companies, and any other person whomsoever, from any and all claims, actions, and demands, whatever its nature, for costs and/or fees charged following the issuance of the prior notice of the exercise of an hypothecary right and in respect of anything arising out of the facts alleged in the legal proceedings.

Provided you are eligible, you do not need to take any steps to obtain your indemnity. The Bank will send a cheque to the last known address of eligible Class Members

Other Information

If you have any questions about this class action and its settlement, please contact:



Me Guy Paquette
Me Annie Montplaisir
PAQUETTE GADLER INC.
353 Saint-Nicolas, Bureau 200
Montréal (Québec) H2Y 2P1
Téléphone : (514) 849-0771
www.paquettegadler.com

Me Fredy Adams
ADAMS AVOCAT INC.
9855, rue Meilleur, Bureau 215
Montréal (Québec) H3L 3J6
Téléphone: (514) 848-9363
www.adamsavocat.com

In the event of any inconsistency between this notice and the Settlement Agreement, the Settlement Agreement shall prevail.

The publication and distribution of this notice has been approved by the Court.