

Have You Financed a Purchase of a Good or a Service at Leon's, Brick, Brault & Martineau, Ameublements Tanguay or Économax?

You may be subjected to a settlement agreement.

**PLEASE READ THIS NOTICE CAREFULLY.
THE SETTLEMENT MAY AFFECT YOUR RIGHTS.**

- On February 27, 2020, Option consommateurs instituted a class action against Leon's and The Brick (the "**Leon's Defendants**") and Brault & Martineau, Ameublements Tanguay and Économax (the "**BMTC Defendants**") (collectively the "**Defendants**"). In this class action, Option consommateurs contends that Defendants failed to comply with certain provisions of the *Consumer Protection Act* (the "**CPA**") regarding advertising of goods and credit.
- Option consommateurs seeks payment of punitive damages from Defendants for transactions that occurred since February 27, 2017 with a "Buy Now, Pay Later" financing plan (the "**Class Action**").
- A settlement agreement has been reached with the Defendants to settle the Class Action (the "**Settlement**"). The Defendants have agreed to pay a total of **\$1,450,000**.
- To take effect, the Settlement must be approved by the Superior Court of Québec (the "**Court**").

YOUR RIGHTS WITH RESPECT TO THIS SETTLEMENT:	
Participate in the Settlement	If you financed the purchase of a good or a service from Leon's, Brick, Brault & Martineau, Ameublements Tanguay or Économax through a "Buy Now, Pay Later" financing plan between February 27, 2017 and December 31, 2020, <u>you don't have to do anything</u> . For more information, please refer to this notice.
Opting out	If you chose to opt out, you will no longer be included in the Class Action and will not be able to benefit from it. This option allows you to sue the Defendants at your own expense for the facts alleged in the Class Action. For more information, please refer to questions 8, 9 and 10 of this notice.
Challenging the Settlement	You can advise the Court that you do not agree with the Settlement or the class counsel's fees. For more information, please refer to questions 13 and 14 of this notice.
Attend a hearing	You may attend the hearing on the approval of the Settlement. For more information, please refer to question 15 of this notice.

Your rights - **and the deadlines for exercising them** - are explained in this notice.

You may obtain further information by visiting : www.recourscollectif.info/en/cases/achetezmaintenant/ or by communicating with Belleau Lapointe law firm (the "**Class Counsel**") at the contact information listed at question **11** of this notice.

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THE CLASS ACTION

1. WHY IS THIS NOTICE BEING PUBLISHED?

This notice is published to inform you that a Settlement has been reached with the Defendants in the context of the Class Action. The Class Action is therefore authorized for settlement purposes only.

This notice summarizes how the Class Action works, who the class members are and explains in detail the Settlement and your rights under it.

2. WHAT IS A CLASS ACTION?

A class action is a legal proceeding in which a person called the "Plaintiff" or "Class Representative" seeks permission to act on behalf of a group of people affected by the same problem, the class members.

3. WHAT IS THE PURPOSE OF THE CLASS ACTION?

On February 27, 2020, Option consommateurs filed an Application for authorization to institute a class action against the Defendants before the Court, on behalf of all consumers who purchased a good or service from Leon's, Brick, Brault & Martineau, Ameublements Tanguay or Économax through a "Buy Now; Pay Later" financing plan. Option consommateurs seeks payment of punitive damages from the Defendants for transactions made with them since **February 27, 2017**.

More specifically, Option consommateurs alleges that the Defendants would deploy their business model around advertisement of goods including credit information that would be in breach of Section 244 of the CPA and Section 80 of the *Regulation respecting the application of the Consumer Protection Act* (the "**Regulation**").

Section 244 provides that no person may, in any advertisement of goods or services, advise consumers of the credit offered to them, except to mention the availability of credit in the manner prescribed by the Regulation.

The CPA also allows the award of punitive damages, not as compensation for any harm suffered, but in order to sanction any merchant who fails to comply with the obligations described in the CPA. Punitive damages have a preventive and dissuasive function with respect to undesirable conduct in society.

4. WHAT ARE THE ISSUES IN DISPUTE TO BE DEALT WITH COLLECTIVELY AND WHAT CONCLUSIONS ARE SOUGHT?

In its Application for authorization to institute a class action, Option consommateurs identifies the questions that the Court should answer for the benefit of the class members if a trial were to take place:

- a) Do the Defendants offer credit information in its advertisement for goods and services, and if so, is this a prohibited business practice?

- b) Accordingly, should the Defendants be ordered to pay punitive damages to class members?
- c) And if so, what is the value of the punitive damages to be awarded against the Defendants?

Then, the conclusions that Option consommateurs seeks against the Defendants are:

- a) GRANT the class action of Plaintiff and class members against the Defendants;
- b) ORDER each Defendant individually to pay to the Designated Person and the class members punitive damages of \$85 for each purchase transaction that occurred since February 27, 2017 and financed through a "buy now; pay later" financing plan, and ORDER the collective recovery of such amounts;
- c) ORDER the Defendants to pay legal interest and the additional indemnity provided by the *Civil Code of Québec* on all of these amounts from the date of service of the *Application for authorization to institute a class action*;
- d) ORDER the Defendants to deposit in the registry of this Court the totality of these sums, as well as the interest and indemnities;
- e) ORDER that the claim of class members be liquidated individually or, if this procedure proves ineffective or impractical, ORDER the Defendants solidarily to pay a sum equal to the amounts of the collective recovery orders to be used to introduce measures that will benefit the members of the group and the nature of which will be determined by the Court, in accordance with the provisions of section 597 of the *Code of Civil Procedure*;
- f) WITH COSTS, including expert and notice fees.

For more information, you will find the Application for authorization to institute a class action at www.recourscollectif.info/en/cases/achetezmaintenant/.

5. WHY A SETTLEMENT AGREEMENT?

In this case, there was no trial. The Court did not rule in favour of Option consommateurs or the Defendants. Instead, both parties agreed to a settlement agreement. A settlement agreement is a compromise that allows all parties to avoid the delays and risks associated with a trial.

Option consommateurs proposed to the Defendants that the parties attend a settlement conference, on condition that the Defendants ensure to modify their advertisement for goods including credit information that are in breach of Section 244 of the CPA and Section 80 of the Regulation. The Defendants agreed with Option consommateurs' proposal and Option consommateurs confirmed that its precondition to the settlement conference had been satisfied. The settlement conference, chaired by a Court judge, allowed the parties to reach an agreement to settle their dispute in the Class Action.

Option consommateurs and its lawyers believe that the Settlement is the best solution for all class members and have therefore asked the Court to approve it.

The Settlement is not an admission of liability, fault or wrongdoing by the Defendants.

THE CLASS MEMBERS

6. HOW DO I KNOW IF I AM A CLASS MEMBER?

The Settlement provides that the Class Action will be authorized on behalf of the following class for settlement purposes only:

"Any person who purchased goods or services in Québec from Leon's, Brick, Brault et Martineau, Ameublements Tanguay or Économax through a "Buy Now, Pay Later" financing plan between **February 27, 2017** and **December 31, 2020**, inclusively" (the "**Settlement Class Members**").

You are a Settlement Class Member if **all** these conditions are met:

- 1) You purchased a good or a service in Québec from any of the Defendants; **and**
- 2) You made your purchase between **February 27, 2017** and **December 31, 2020** inclusively; **and**
- 3) You financed your purchase through a "Buy Now, Pay Later" financing plan.

If you are a Settlement Class Member, you are part of the Settlement.

WHAT THE SETTLEMENT PROVIDES

7. WHAT THE SETTLEMENT PROVIDES FOR?

The Settlement provides that the Leon's Defendants and the BMTC Defendants will each pay **\$725,000**, for a total of **\$1,450,000** (the "**Total Settlement Amount**") for the benefit of the Settlement Class Members. In addition to the Total Settlement Amount, the Leon's Defendants and the BMTC Defendants will jointly pay the costs of publishing notices to Settlement Class Members.

The Settlement terminates the Class Action.

In return, Settlement Class Members will no longer be able to sue the Defendants in relation to the facts alleged in the Class Action. The Settlement sets out the content of this release. We invite you to read it carefully at www.recourscollectif.info/en/cases/achetezmaintenant/.

Settlement Class Members will not receive compensation directly as part of this Settlement. Parties have agreed that the distribution of an amount to each Settlement Class Member is impracticable and too costly. If the Court approves the Settlement, the Total Settlement Amount (after payment of Class Counsel's fees and disbursements and the prescribed percentage of the Class Action Assistance Fund) will be paid to the *Fondation pour les consommateurs*, a non-profit organization that financially supports associations in Québec that provide financial education on credit and debt and promote consumer rights. Parties have agreed that this is the best way to dispose of the amounts of the Settlement. However, the Court could choose another organization.

OPTING OUT

If you think you can get more money by suing the Defendants yourself, then you can take steps to opt out of the Class Action.

8. WHAT HAPPENS IF I OPT OUT OF THE CLASS ACTION?

If you opt out:

1. You will not benefit from the Settlement;
2. You will not be bound by the Class Action;
3. You retain the right to sue the Defendants at your own expense; and
4. You will not be able to challenge the Settlement.

9. WHAT HAPPENS IF I DON'T OPT OUT OF THE CLASS ACTION?

If you are satisfied with the Settlement, you must not opt out. If you do NOT opt out:

1. You will be bound by the Settlement;
2. You will be able to challenge the Settlement; and
3. You will not be able to bring your own legal action against the Defendants.

10. HOW DO I OPT OUT OF THE CLASS ACTION?

To opt out of the Class Action, you must send a signed written request for opting out to the Court. Your request must include:

- a) Your name;
- b) Your full address;
- c) Your phone number or email address to contact you;
- d) A statement that you wish to exclude yourself from the Class Action; and
- e) The Court file number (500-06-001048-202).

Your request for opting out **must be received no later than on October 25, 2021**, at the following address:

Clerk of the Superior Court of Quebec

Montreal Courthouse
1, Notre-Dame Street East
Montréal (Québec) H2Y 1B6
File N°: 500-06-001048-202

THE CLASS COUNSEL

11. WHO ARE THE LAWYERS WORKING ON THE CLASS ACTION?

The law firm Belleau Lapointe, LLP represents Option consommateurs and the Settlement Class Members.

BELLEAU LAPOINTE, LLP

300, Place d'Youville, Suite B-10

Montréal, Québec

H2Y 2B6

Toll-free number: 1 888 987-6701

Telephone: 514 987-6700

E-mail: info@belleaulapointe.com

These lawyers will not charge you anything. If you wish to be represented by your own lawyer, you may do so at your own expense.

12. HOW WILL THE LAWYERS BE PAID?

You do not have to personally pay the lawyers working on this Class Action.

At the hearing to approve the Settlement, Option consommateurs will ask the Court to approve Class Counsel's fees of up to 25% of the Total Settlement Amount, plus disbursements and applicable taxes to be paid from the Total Settlement Amount.

CHALLENGING THE SETTLEMENT

You can inform the Court that you do not agree with the Settlement or Class Counsel's fees.

13. HOW DO I TELL THE COURT THAT I DISAGREE WITH THE SETTLEMENT?

If you wish to comment on or challenge the Settlement or Class Counsel's fees, you must send a written notice to Belleau Lapointe at info@belleaulapointe.com (or by mail at the contact information listed at the end of this notice) no later than on November 16, 2021.

Be sure to explain why you do not agree with this Settlement. Include your name, address, telephone number and the Court file number (500-06-0010048-202).

Written notices and questions must not be sent directly to the Court. Class Counsel will provide all written notices to the Court. All letters will be considered by the Court in deciding whether to approve the Settlement.

If you disagree with the Settlement or Class Counsel's fees, you do not need to attend the approval hearing to explain why you disagree.

However, you can also ask to be heard by the Court and attend the hearing. For more information about the hearing, please refer to questions **15** and **16** of this notice. If you do not send a written dispute by the deadline, it is possible that you will not be allowed to speak at the approval Hearing.

14. DO I NEED A LAWYER TO CHALLENGE THE SETTLEMENT?

No. You can challenge it without hiring a lawyer. If you want to be represented by a lawyer, you can hire one at your own expense.

COURT APPROVAL PROCESS

The Court will hold a hearing to determine whether to approve the Settlement.

15. WHEN AND WHERE WILL THE COURT MAKE A DECISION ABOUT THE SETTLEMENT?

To take effect, the Settlement must be approved by the Court. In order to approve the Settlement, the Court must conclude that it is fair, timely, reasonable and appropriate in the circumstances and in the best interests of the Settlement Class Members.

Option consommateurs will ask the Court to approve the Settlement Agreement, Class Counsel's fees, and disbursements and applicable taxes.

The approval hearing will be held before the Court on November 22, 2021, at 9:30 AM at 1, Notre-Dame Street East, Montreal, Quebec, in room 16.06. In the context of the Covid-19 pandemic, it is also possible that the hearing will be held remotely by videoconference. For more information, you may consult the www.recourscollectif.info/en/cases/achetezmaintenant/.

16. DO I HAVE TO PRESENT MYSELF AT A HEARING?

No. Class Counsel will answer all of the judge's questions. However, all Settlement Class Members are welcome to attend the hearing at their own expense. In addition to the possibility of the hearing being held remotely, the hearing date may be changed without further notice. Before you present yourself, it is best to check if the hearing will take place at the agreed place and day, by consulting the www.recourscollectif.info/en/cases/achetezmaintenant/.

17. HOW LONG WILL IT TAKE FOR THE JUDGMENT TO BE RENDERED?

The Court may decide to approve the Settlement at the time of the hearing or later. If the Court approves the Settlement, a time limit must be provided in case the judgment is appealed. After all these steps, the Settlement becomes "final". For updates, you can consult the www.recourscollectif.info/en/cases/achetezmaintenant/.

18. WHAT HAPPENS IF THE SETTLEMENT IS NOT APPROVED?

If the Settlement is not approved or does not take effect for any reason, the Class Action will continue against the Defendants.

MORE INFORMATION

This notice is only a summary of the Settlement. For more information, you can consult the Settlement, which is available at www.recourscollectif.info/en/cases/achetezmaintenant/.

To learn more about your rights under the Class Action or the Settlement, you may also communicate free of charge with Class Counsel or Option consommateurs:

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Montréal, Québec
H2Y 2B6

Telephone: 514 987-6700

Toll free: 1 888-987-6701

E-mail: info@belleaulapointe.com

OPTION CONSOMMATEURS

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50, St. Catherine Street West, Suite 440
Montréal (Québec)

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