NOTICE OF AUTHORIZATION OF A CLASS ACTION AND SETTLEMENT APPROVAL HEARING AUTHORIZED BY THE QUÉBEC SUPERIOR COURT

This notice is intended for all persons who, between March 14, 2016 and November 24, 2019, were charged fees to exercise their option to purchase their vehicle during or at the end of their lease contracted with SCI Lease Corp. (buyback fees).

- On March 14, 2019, a Quebec consumer (the "Representative Plaintiff") instituted class action proceedings in the Superior Court of Quebec (the "Court") seeking permission to bring a class action against SCI Lease Corp. ("SCI") and other defendants who acted as vehicle lessors, regarding fees paid by consumers in order to exercise their option to purchase their vehicle during or at the end of their lease (buyback fees).
- The Representative Plaintiff and SCI have reached a settlement in this matter. SCI denies any wrongdoing, and no court has concluded to any wrongdoing by SCI.
- On January 17, 2020, the Representative Plaintiff and SCI presented the Court with a *Joint Application for Authorization to Institute a Class Action for Settlement Purposes Only Against SCI Lease Corp.* Accordingly, on January 17, 2020, the Court authorized the Representative Plaintiff to institute the class action regarding buyback fees, for settlement purposes only.
- The judgment authorizing this class action and the proposed settlement may affect your rights, whether you act or not. Please read this notice carefully.

Your Rights Regarding This Class Action:	
OPT OUT	If you opt out, you will not receive any payment if the settlement is approved by the Court or if the Court grants a final decision in favour of the Representative Plaintiff. This option allows you to pursue your own lawsuit against SCI regarding the buyback fees which are the subject of the class action.
OBJECT	If you disagree with the proposed settlement, you can object to it and your objection will be considered by the Court when deciding whether to approve the settlement.
DO NOTHING	If you are a class member and you agree with the purpose of this class action and the proposed settlement, you have nothing to do to participate in this class action and to receive a payment if the settlement is approved by the Court.

These rights – and the deadline for exercising them – are explained in this notice.

QUESTIONS?

Contact the law firm LPC Avocat Inc. at 514-379-1572 or visit <u>https://lpclex.com/sci-buyback/</u>

THE CLASS ACTION

1. Why are you receiving this notice?

On January 17, 2020, the Court authorized the Representative Plaintiff to bring a class action against SCI, in order to give effect to the settlement agreement reached between the Representative Plaintiff and SCI.

2. What is a class action?

It is a legal procedure instituted by an individual called the "Representative Plaintiff" on behalf of everyone who faces a similar problem, called the "class". A class action allows the Court to rule on the dispute regarding all class members, except for those who choose to opt out.

3. What is this class action about?

The Representative Plaintiff instituted a class action against SCI (and others) regarding fees paid by consumers in order to exercise their option to purchase their vehicle during or at the end of their lease (buyback fees). The Representative Plaintiff argues that SCI contravened the *Consumer Protection Act* by not precisely disclosing the amount of the buyback fees in its motor vehicle lease agreements. SCI denies any wrongdoing, and no court has concluded to any wrongdoing by SCI.

This class action seeks to obtain a judgment ordering the payment of compensatory damages corresponding to the amount of buyback fees paid by consumers as well as punitive damages.

THE CLASS MEMBERS

4. Who is a class member?

You are a class member if you are a consumer, within the meaning of the *Consumer Protection Act*, who had a vehicle lease agreement with SCI and, between March 14, 2016 and November 24, 2019 (the "**Settlement Class Period**") paid a "buyback" fee to exercise your option to purchase your vehicle (buyback) during or at the end of your lease.

5. How do I participate in this class action?

If you are a class member and agree with this class action and the proposed settlement, you have nothing to do to participate in this class action.

SETTLEMENT AGREEMENT APPROVAL HEARING

6. How much money will I receive under the proposed settlement?

The Settlement Agreement provides for the following monetary compensation, subject to Court approval:

SCI shall repay to each class member 100% of the buyback fee he or she paid during the Settlement Class Period, which shall be paid by cheque mailed to the address of each class member on record with SCI.

The amount paid to each class member will vary from \$31.50 to \$136.50, depending on the buyback fee they were charged. The Settlement Agreement and documents pertaining to this class action are available at: <u>https://lpclex.com/sci-buyback/</u>.

7. What is the next step regarding the proposed settlement?

The Superior Court of Québec must approve the Settlement Agreement before it can take effect. The Court will review the terms of the Settlement Agreement to ensure that they are fair, reasonable and in the best interests of the class members.

The Settlement Approval Hearing will take place on **March 30, 2020 at 9:30 a.m.** before the Superior Court of Québec, at the Montreal Courthouse, 1 Notre-Dame Street East, in Montreal, Quebec, in courtroom **1.150**. At this hearing, the Court will hear any objection filed by class members regarding the proposed Settlement Agreement, in accordance with the deadlines and procedure set forth below. Class members who do not oppose the proposed settlement are not required to attend this hearing or to take any action to indicate that they intend to be bound by it.

OPTING OUT

This is your only chance to opt out from the class action.

8. What happens if I opt out?

If you decide to opt out of the class action, you retain your right to institute your own lawsuit against SCI regarding the described buyback fees and you will not be bound by the judgments rendered by the Court in this class action. Also, you will **not** be entitled to receive a payment if the Settlement Agreement is approved by the Court.

9. What happens if I do not opt out or if I do nothing?

If you do not opt out of the class action or if you do nothing, you will be entitled to receive a payment if the Settlement Agreement is approved by the Court. As such, you give up your right to institute your own lawsuit against SCI regarding the described buyback fees and will be bound by the judgments rendered by the Court in this class action.

10. How do I opt out?

If you do not wish to be part of this class action, you can opt out by sending to the clerk of the Superior Court a signed letter containing the following information:

- The class action file number and name: 500-06-000989-190 (*Gillich* v. SCI Lease Corp. et al.).
- Your name, current address and telephone number.
- Your statement: "I am a class member and I wish to opt out of the class action".
- Your signature.

You must send your letter by registered mail, with a copy by email to Class Counsel, by March 13, 2020 at the following address:

Clerk of the Superior Court of Québec File: 500-06-000989-190 (*Gillich* v. *SCI Lease Corp. et al.*) Montreal Courthouse 1, Notre-Dame East Street, Suite 1.120 Montréal (Québec) H2Y 1B6

OBJECTING TO THE PROPOSED SETTLEMENT

11. What should I do if I disagree with the proposed settlement?

If you disagree with the Settlement Agreement but you do not wish to opt out of the class action, you can object to the Settlement Agreement by delivering a written submission on or before **March 13, 2020**, filed with the Court and Class Counsel and containing the following information:

- A heading referring to this proceeding (*Gillich* v. *SCI Lease Corp. et al.* 500-06-000989-190).
- Your name, current address, and telephone number and, if represented by counsel, the name of your counsel.
- A statement that you had a vehicle lease agreement with SCI and, between March 14, 2016 and November 24, 2019, exercised your option to purchase your vehicle (buyback) during or at the end of your lease.
- A statement whether you intend to appear at the Settlement Approval Hearing on March 30, 2020, either in person or through counsel.
- A statement of the objection and the grounds supporting the objection.
- Copies of any papers, briefs, or other documents upon which the objection is based.
- Your signature.

You must send your letter by registered mail, with a copy by email to Class Counsel (see contact information below), at the following address:

Clerk of the Superior Court of Québec File: 500-06-000865-176 Montreal Courthouse 1, Notre-Dame East Street, Suite 1.120 Montréal (Québec) H2Y 1B6

Please note that the Court cannot change the terms of the settlement. Any objections will be used by the Court to consider whether to approve the settlement or not.

CLASS COUNSEL

12. Who are the lawyers working on this class action?

The law firm LPC Avocat Inc. represents the Representative Plaintiff, and therefore, the class members. You may contact LPC Avocat Inc. using the contact information found at the end of this notice.

13. Are there fees for the class members?

You do not have to pay the lawyers working on this class action.

FOR MORE INFORMATION

If you have questions, you can contact class counsel, the law firm LPC Avocat Inc., by mail, email or phone. Your name and any information provided will be kept confidential.

Mtre. Joey Zukran LPC Avocat Inc. 5800 Cavendish boulevard, Suite 411 Montréal, Québec, H4W 2T5 Telephone: 514-379-1572 Email: jzukran@lpclex.com

This notice has been approved by the Superior Court of Quebec.