

CANADA

PROVINCE OF QUEBEC
DISTRICT OF MONTREAL

(Class Action)
SUPERIOR COURT

NO: 500-06-001337-241

S [REDACTED] A [REDACTED]
[REDACTED]
[REDACTED]

Applicant

v.

GROUPE QUALINET INC., legal person
having its head office at 434, rue des
Montréalaises, City and District of Quebec,
Province of Quebec, G1C 7H3

Defendant

AMENDED APPLICATION TO AUTHORIZE THE BRINGING OF A CLASS ACTION
(ARTICLES 571 AND FOLLOWING C.C.P.)

**TO ONE OF THE HONOURABLE JUDGES OF THE SUPERIOR COURT, SITTING IN
AND FOR THE DISTRICT OF MONTREAL, THE APPLICANT STATES:**

1. The purpose of this putative class action is to put an end to the manner in which the Defendant, Groupe Qualinet Inc. (hereinafter "**Qualinet**"), takes advantage of people in vulnerable and desperate situations, and to obtain financial compensation for the victims of Qualinet's unlawful pricing practices;
2. As such, Applicant wishes to institute a class action on behalf of the following class:

| | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Class: All natural and legal persons who contracted with Qualinet and received an invoice from Qualinet dated October 7, 2021 or later; or any other Class to be determined by the Court. | Groupe : Toutes les personnes physiques et morales qui ont contracté avec Qualinet et qui ont reçu une facture de Qualinet datée du 7 octobre 2021 ou après; ou tout autre groupe à être déterminé par la Cour. |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

I. THE PARTIES

3. Applicant resides in the judicial district of Montreal and is a consumer within the meaning of the *Civil Code of Quebec*, the *Consumer Protection Act* (“**CPA**”) and the *Competition Act*;
4. Qualinet is a Quebec-based corporation engaging in “*Nettoyage après sinistre, nettoyage général, construction et rénovation après sinistre, décontamination*”, as it appears from its business information statement from the Quebec Enterprise Register, **Exhibit P-1**;
5. On its website (www.qualinet.ca/sinistres), Qualinet refers to itself as “*experts*” and having “*Expertise en sinistres de tout genre*”, as it appears from **Exhibit P-2**;
6. On September 9, 2024, Qualinet notably boasted that it has become the “*911 du sinistre*” in the province of Quebec on a publication posted to its official Facebook page communicated herewith as **Exhibit P-3**:

« ...entre le 9 août et le 4 septembre 2024, Qualinet a dû traiter près de **7 000 dossiers de sinistres dans la seule région montréalaise, un record de tous les temps**; ce chiffre exclut les catastrophes naturelles extrêmes qui ont touché Louiseville et Trois-Rivières, Salaberry-de-Valleyfield, Laval, Montréal et la Rive-Sud, Drummondville et Victoriaville, Gatineau, Granby et Sherbrooke.

...

Qualinet étant devenu « le 911 du sinistre », l'entreprise va améliorer son système téléphonique en triplant les ressources attitrées à la gestion des appels afin de pouvoir répondre adéquatement à la demande lors d'événements extrêmes. »

7. On September 14, 2022, Qualinet made similar declarations to the media and stated that in just three hours, over 1,000 customers called Qualinet to report sewer backups and rain-related flooding in the Montreal and Lanaudière regions;
8. Of course, Qualinet is not 911, rather Qualinet is a “*merchant*” within the meaning of the *Civil Code of Quebec*, the *CPA* and the *Competition Act*; its activities are governed by these legislations, among others;
9. Unlike 911, Qualinet’s *raison d’être* is to generate profit. The problem is that its entire business model is based on tricking unsuspecting customers and then intimidating and suing those who contest their invoices;
10. Qualinet is in fact registered as an itinerant merchant with the *Office de la protection du consommateur* and was assigned permit #116325, as it appears from **Exhibit P-4** (page 36) and its “*Profil du commerçant*” on the website of the *Office de la Protection du consommateur* (“**OPC**”) communicated as **Exhibit P-5**;

II. CONDITIONS REQUIRED TO AUTHORIZE THIS CLASS ACTION (575 CCP):

A) THE FACTS ALLEGED APPEAR TO JUSTIFY THE CONCLUSIONS SOUGHT

11. The Applicant owns a duplex on Stevens Street, in Ville St-Laurent, that he rents out to tenants;
12. On February 25, 2022, a plumbing issue from the upper duplex bathroom caused a leak into the lower duplex. That same day, the Applicant's lower duplex tenant contacted Qualinet by telephone because she knew that Qualinet was one of the companies that offers water damage cleanup services;
13. Qualinet's representative arrived at the duplex in the morning of February 25, 2022;
14. Given that the Applicant is the owner of the duplex and was not the one who placed the original call to Qualinet, the tenant then contacted the Applicant so that he could speak with Qualinet's representative who had arrived on site;
15. Applicant here alleges that Qualinet is an itinerant merchant (see Exhibit P-4 and Exhibit P-5) and was acting as such, notably because the contract was solicited elsewhere than at the merchant's address (sections 1 and 57 CPA). Therefore, sections 55 to 65 CPA and 7 and 8 of the *Regulations* govern the rights and obligations of the parties as more fully addressed below at paragraphs 52 to 66;
16. Immediately following his visit to the Applicant's duplex, Qualinet's representative exchanged several emails with the Applicant, as it appears from the email exchange communicated as **Exhibit P-6**;
17. Qualinet's representative gave the Applicant the impression that the work would cost him between \$500 to \$600;
18. Of note is that on February 25, 2022, at 9:28 a.m., the Applicant wrote to Qualinet the following (Exhibit P-6, p. 2-PDF):

« Tel que discuter

Je suis d'accord pour les deux ouvertures et installation de sechoir et deshumidificatuer par 2 techniciens. (environ 2 heures de travailles)

Merci »

- 18.1 Applicant further here emphasizes that he never asked for a "traitement biocide" and was never informed of or consented to same;
19. Qualinet responded to that email at 9:39 a.m. with: "*Bonjour Monsieur pouvez vous signer aussi le document intitulé tarification. Merci !*" (Exhibit P-6, p .1-PDF);

20. Applicant communicates the document titled “**Tarification**” as **Exhibit P-7**;
21. The “tarification” document does not give Qualinet a “*chèque en blanc*” to charge as it pleases, which is precisely what the Court of Quebec warned Qualinet about: “*Il est contraire à la lettre et à l'esprit de la Loi sur la protection du consommateur d'obliger un consommateur à être lié dans un contrat qui constitue un chèque en blanc quant au prix des travaux et des services*”, Applicant disclosing a copy of the judgment in *Groupe Qualinet inc. c. Tancredi*, 2010 QCCQ 9791 as **Exhibit P-8** (see para. 11);
22. Qualinet also has a duty to inform codified by article 2102 CCQ and sections 12 and 228 CPA;
23. At no point did Qualinet provide a written quote or, to use the terms provided by law “*the total amount the consumer must pay under the contract*” (s. 58(g) CPA);
24. On July 8, 2022, Qualinet sent its invoice #002-038962 to the Applicant, a copy of which is communicated as **Exhibit P-9**;
25. As it appears from the invoice, Exhibit P-9, Qualinet behaved like it had a “*chèque en blanc*” and charged the Applicant whatever it wanted from the *tarification* document (Exhibit P-7), without informing him of the total amount in advance and certainly without obtaining his prior approval for such an amount;
26. Moreover, as it appears from the invoice, Qualinet charged Applicant \$1,938.07, plus an additional 10% on account of an “**administration**” fee, plus an additional 5% on that 10% on account of a “**profit**” fee, all plus taxes for a total of **\$2,573.68**;
27. Ever since issuing the invoice in July of 2022, Qualinet has been hounding the Applicant for payment, who always informed Qualinet that he was willing to pay them the \$500-\$600 amount he expected the work to cost (see paragraph 18 above and Exhibit P-6);
28. Qualinet refused and instead threatened to sue the Applicant in Court if he does not pay the invoice;
29. Over the past two years, Qualinet has sent the Applicant their invoice via bailiff, via registered mail and even gave his contact information to credit agencies who called him multiple times for payment. A copy of the “Avis final” letter sent by bailiff dated October 26, 2023, and informing Applicant that his bill had now increased to \$3,326.75 due to an unlawful additional amount of \$753.07 imposed on account of “administration” or “interest” charges of 2% monthly (it is not clear which since both are mentioned), is communicated as **Exhibit P-10**;
30. Finally, in September of 2024, a representative of Qualinet contacted the Applicant by telephone and told him that he was giving him one “final” chance to pay before Qualinet sues him. Applicant again reiterated that he does not owe more than the amount based on the items mentioned in his email (listed at paragraph 18 above),

i.e. \$500-\$600, which Qualinet again refused;

31. Applicant verified on CanLII and discovered that Qualinet systemically sues their customers who either contest their invoices or who did not pay;
32. As such, on September 30, 2024, Applicant sent an email to Qualinet informing them that he would pay their invoice “*sous protêt*” (under protest) to avoid getting sued and avoid having his credit score negatively impacted, but reserved his right to claim all amounts unlawfully charged, the whole as appears from the email exchange communicated as **Exhibit P-11**;
33. Qualinet accepted this condition of payment and even wrote to the Applicant “*Il vous appartient de payer la facture sous protêt si vous avez l'intention de contester la facture devant les tribunaux*”, and sent him a PDF document with instructions on how to pay, including by credit card, as it appears from **Exhibit P-12**;
34. On October 1, 2024, Qualinet charged the Applicant’s credit card for the full \$2,573.68 indicated on the invoice;
35. Both the Applicant’s invoice (Exhibit P-9) and Qualinet’s *modus operandi* – which is the same vis-à-vis all Class Members – are illegal for the reasons that follow:

1) The “administration” and “profit” fees, and other amounts are illegal because contrary to s. 224c) CPA and s. 52(1.3) of the Competition Act

36. The invoice, Exhibit P-9, shows that Qualinet charged an additional amount on top of the menu of prices listed in the “tarification” document (Exhibit P-7), namely \$193.81 (plus taxes) on account of a “10% administration” fee and \$106.59 (plus taxes) on account of a “5% profit” fee;
37. The “administration” (10%) and “profit” (5% on top of the 10%) fees are charged illegally because they are systemically imposed by Qualinet at all times on top of all prices listed on the “tarification” document (Exhibit P-7), which confirms that they are mandatory fees, as opposed to optional fees. Section 224c) CPA prohibits this form of fragmented pricing and obliges merchants to announce the full price for their services:

| | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>224. No merchant, manufacturer or advertiser may, by any means whatever, ... (c) charge, for goods or services, a higher price than that advertised. ... For the purposes of subparagraph c of the first paragraph, the price advertised must include the total amount the consumer</p> | <p>224. Aucun commerçant, fabricant ou publicitaire ne peut, par quelque moyen que ce soit: ... c) exiger pour un bien ou un service un prix supérieur à celui qui est annoncé. ... Aux fins du paragraphe c du premier alinéa, le prix annoncé doit comprendre le total des sommes que le consommateur</p> |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

| | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>must pay for the goods or services. However, the price advertised need not include the Québec sales tax or the Goods and Services Tax. More emphasis must be put on the price advertised than on the amounts of which the price is made up.</p> | <p>devra déboursier pour l'obtention du bien ou du service. Toutefois, ce prix peut ne pas comprendre la taxe de vente du Québec, ni la taxe sur les produits et services du Canada. Le prix annoncé doit ressortir de façon plus évidente que les sommes dont il est composé.</p> |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

38. Québec's Court of Appeal has already held that an "informative" announcement of prices (similar to Qualinet's "tarification", Exhibit P-7), falls within the gambit of s. 224c) CPA (*Union des consommateurs c. Air Canada*, 2014 QCCA 523, par. 63);
39. In the "tarification" document itself, Qualinet admits that not even one of the prices displayed is the real price, because "*Des frais d'administration de 10% et de profit de 5% cumulatifs s'ajouteront sur le temps, les équipements, les fournitures, les protections personnelles et le matériel fournis, en supplément des tarifs ci-dessus mentionnés, et ce, en tout temps.*";
40. Applicant notes that although Qualinet does not list "camion" as one of the items subject to the 10% plus 5% fees, the invoice confirms that Qualinet nonetheless imposed this surcharge on the "camion" fees as well;
41. Qualinet violated section 224c) CPA by not presenting the mandatory 10% "administration" fee and 5% "profit" fee up front, but instead displayed fragmented prices across the board that were never attainable under any circumstances, as it appears from Exhibit P-9 (the invoice);
42. As such, this same practice also violates section 52(1.3) of the *Competition Act*:

| | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>52 (1) No person shall, for the purpose of promoting, directly or indirectly, the supply or use of a product or for the purpose of promoting, directly or indirectly, any business interest, by any means whatever, knowingly or recklessly make a representation to the public that is false or misleading in a material respect. ...</p> <p>Drip pricing</p> <p>(1.3) For greater certainty, the making of a representation of a price that is not attainable due to fixed obligatory charges or fees constitutes a false or misleading representation, unless the obligatory charges or fees represent only an amount</p> | <p>52 (1) Nul ne peut, de quelque manière que ce soit, aux fins de promouvoir directement ou indirectement soit la fourniture ou l'utilisation d'un produit, soit des intérêts commerciaux quelconques, donner au public, sciemment ou sans se soucier des conséquences, des indications fausses ou trompeuses sur un point important. ...</p> <p>Indication de prix partiel</p> <p>(1.3) Il est entendu que l'indication d'un prix qui n'est pas atteignable en raison de frais obligatoires fixes qui s'y ajoutent constitue une indication fausse ou trompeuse, sauf si les frais obligatoires ne représentent que le montant imposé sous</p> |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

| | |
|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| imposed on a purchaser of the product referred to in subsection (1) by or under an Act of Parliament or the legislature of a province. | le régime d'une loi fédérale ou provinciale à l'acquéreur du produit visé au paragraphe (1). |
|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|

43. Drip pricing is a serious offence under the *Competition Act*. On September 23, 2024, the Competition Tribunal condemned Cineplex to pay an administrative monetary penalty of \$39 million, representing 100% of the fragmented portion of fees it charged for purchasing moving tickets (\$1.50 per ticket), Applicant disclosing this judgment (under appeal), to demonstrate that damages exist and that a refund to consumers could be an appropriate remedy, as **Exhibit P-13** (see para. 448);

44. As a result of violations of sections 224c) CPA and 52(1.3), Applicant suffered damages of **\$345.38** that he hereby claims from Qualinet pursuant to section 272 CPA and section 36 of the *Competition Act* (\$193.81 + \$106.59, plus taxes);

2) Qualinet failed to mention the price of certain items in violation of s. 12 CPA

45. Section 12 CPA stipulates:

| | |
|----------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| 12. No costs may be claimed from a consumer unless the amount thereof is precisely indicated in the contract. | 12. Aucuns frais ne peuvent être réclamés d'un consommateur, à moins que le contrat n'en mentionne de façon précise le montant. |
|----------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|

46. Applicant communicates herewith as **Exhibit P-14** his invoice and the grille de tarification, showing that the items highlighted in green on the invoice either do not appear at all on the grille de tarification (such as *polythène*), or have no price listed next to them, contrary to section 12 CPA and articles 2102 and 2106 C.C.Q.:

| Item on invoice | Amount charged (before taxes and surcharges) |
|---------------------------------------------------------|----------------------------------------------|
| Équipements, fournitures, produits, polythène, etc... | \$108.92 |
| Protections personnelles EPP (February 25) | \$30.00 |
| Protections personnelles EPP (February 28) | \$10.00 |
| 1 Pré-filtre(s) antibactérien(s) pour appareils 500 CFM | \$21.15 |
| Protections personnelles EPP (February 28) | \$20.00 |
| Total surcharges of 10% plus 5% | \$29.46 |
| Taxes | \$32.87 |
| TOTAL | \$252.41 |

47. There is no doubt that the charges of \$252.41 were not precisely indicated in the contract and that Qualinet must reimburse these amounts to the Applicant and to all Class Members similarly charged;

3) Qualinet failed in its duty to inform (articles 2102 and 2106 C.C.Q.)

48. Qualinet has already been warned by the Court of Quebec and the OPC that its *modus operandi* – which was the same in the Applicant’s situation – vitiates its customers’ consent, Applicant disclosing, for instance, the judgment in *Groupe Qualinet inc. c. Robichaud*, 2020 QCCQ 2499, as **Exhibit P-15**:

[36] **Qualinet a l’habitude de tel dégât et de l’avis du Tribunal elle peut évaluer à l’avance même approximativement, le nombre de jours requis pour assécher l’eau, ainsi que le nombre de séchoirs qui seront installés.** Or, nulle part sur le document Pi-2, ne retrouve-t-on l’indication qu’il faut prévoir environ 10 séchoirs pendant trois, quatre, ou cinq jours sujet à réviser.

...

[38] Pour le Tribunal, **il est insuffisant** d’informer un client de prévoir 900 \$ plus les équipements, sans donner plus de détail concernant le nombre de séchoirs et les jours prévus d’utilisation.

[39] Aussi, le Tribunal conclut que **Qualinet a manqué à son obligation de renseignements lors de la conclusion du contrat** et par conséquent, le consentement de M. Robichaud a été vicié.

49. Qualinet also breached its legal duty of good faith by not adequately informing the Applicant of all the relevant parameters in order for him to make an informed decision regarding the work in question, in violation of article 1401 C.C.Q. Once again, Qualinet has been warned about operating this way in the past, as it appears from the judgment in *Qualinet Environnement inc. c. Mailloux*, 2016 QCCQ 9919, disclosed as **Exhibit P-16**:

[8] À cet égard, vu la preuve, le Tribunal est d’avis que la demanderesse a manqué à son devoir légal de bonne foi en n’informant pas adéquatement la défenderesse de tous les paramètres pertinents afin que celle-ci puisse prendre une décision éclairée à l’égard des travaux en cause contrevenant au surplus à l’article 1401 C.c.Q.

50. Qualinet has been warned by the Court of Quebec that consumers must be able to know in advance the amount they will have to pay for the services provided, which Qualinet failed to abide by in the Applicant’s case (and for all of the contracts they entered into with Class Members), Applicant disclosing the judgment in *Bayard c. Groupe Qualinet inc.*, 2024 QCCQ 197 as **Exhibit P-17**:

[40] Bien que la loi impose un devoir de renseignements à Qualinet, celle-ci ne fournit pas à Mme Bayard toute l'information utile relativement à la tâche à exécuter et au temps nécessaire¹. Elle n'est pas en mesure d'estimer les coûts des services à être rendus.

[41] Or, **la cliente doit être en mesure de connaître à l'avance le montant qu'elle aura à déboursier pour les services** qu'un commerçant lui rend.

51. The Court of Quebec warned Qualinet that it has to provide estimates to its customers, as it appears from the judgment in *Groupe Qualinet inc. c. Harnois*, 2015 QCCQ 2549, disclosed as **Exhibit P-18**:

[19] Le Code civil du Québec impose un devoir de renseignement à Qualinet :

2102. L'entrepreneur ou le prestataire de services est tenu, avant la conclusion du contrat, de fournir au client, dans la mesure où les circonstances le permettent, toute information utile relativement à la nature de la tâche qu'il s'engage à effectuer ainsi qu'aux biens et au temps nécessaires à cette fin.

[20] La preuve établit que Qualinet ne donne pas d'estimation des coûts à Mme Harnois.

4) Qualinet violated the rules for itinerant merchants (ss. 55 to 65 CPA)

52. Qualinet is an itinerant merchant within the meaning of sections 55 to 57 CPA, and sections 7.1 and 8 of the *Regulation respecting the application of the Consumer Protection Act*, P-40.1, r. 3;
53. For clarity, even if the Court were to consider that it was the Applicant who called Qualinet (as opposed to his tenant) and that the call placed to Qualinet was at the Applicant's "express demand" (s. 57 CPA), Qualinet is still considered an itinerant merchant because the contract was not solicited at the merchant's address (s. 57 CPA *in fine*). The merchant's "address" is defined at section 1(a) CPA;
54. Qualinet failed to comply with a number of obligations provided for under section 58 CPA, in particular s. 58(g) that stipulates:

¹ Article 2102 C.c.Q.; Pierre Claude LAFOND, *Droit de la protection du consommateur-Théorie et pratique*, 2e éd. Yvon Blais, 2021, par. 286.

| | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>58. The contract must be evidenced in writing and indicate:</p> <p>...</p> <p>(g) the total amount the consumer must pay under the contract;</p> | <p>58. Le contrat doit être constaté par écrit et indiquer:</p> <p>...</p> <p>g) le total des sommes que le consommateur doit déboursier en vertu du contrat;</p> |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

55. Qualinet is well aware of this provision and is registered as an itinerant merchant with the OPC (Exhibit P-4 and Exhibit P-5). It has also been found guilty by the Court of Quebec in penal proceedings, following accusations laid by the DPCP and OPC for violating this very provision (as detailed and reproduced below at paragraph 60);
56. As mentioned by the Court (Civil Division) in Exhibit P-15 (*Groupe Qualinet inc. c. Robichaud*) and by the Court (Criminal and Penal Division) in Exhibit P-19.4, Qualinet are experts used to dealing with such damage, and can (and must) evaluate the total price in advance;
57. At no time did Qualinet’s representative provide the Applicant or his tenant with a written contract containing the total amount that he must pay under the contract, despite Qualinet’s statutory obligation to do so under section 58(g) CPA. This provision – contained in Title I CPA – is of public order and the Supreme Court of Canada has held that it gives rise to an absolute presumption of prejudice without the consumer having to prove more (*Richard v. Time Inc.*, 2012 SCC 8, par. 113);
58. Qualinet intentionally created and participates in an illegal business model, which consists of entering into contracts of service as an itinerant merchant with vulnerable consumers without respecting the rules of law governing such contracts, and then bullying people into paying with threats of collection agencies, penalties in the form of high interest and instituting legal proceedings – when they know very well that they did not comply with section 58 CPA (the “**modus operandi**”). The Applicant is entitled to ask for one of the remedies under section 272 CPA;
59. In the circumstances, Qualinet’s *modus operandi* is so high-handed and egregious that the Applicant hereby requests that his contract – and the contracts of all Class Members – be annulled pursuant to s. 272(f) CPA. As a result of such nullity, Applicant hereby claims on his behalf the amount of **\$2,573.68**, as well as the full reimbursement to all Class Members who Qualinet entered into contracts with as an itinerant merchant in contravention of section 58 CPA;
60. There is no other appropriate remedy given that Qualinet continued perpetrating the same illegal practice, even after it was found guilty and fined a total of \$5,302.00 after the DPCP and the Office de la Protection du Consommateur instituted penal proceedings against Qualinet for violating the rules on itinerant merchants, including section 58 CPA, Applicant disclosing the OPC’s press release and relevant documents from the penal proceedings *en liasse* as **Exhibit**

P-19:

N° 300-344-1-18-000003-5

200-61-216277-184

Chef N° 1

DÉFENDEUR

Groupe Qualinet inc.
f.a.s. Qualinet
434, rue Des Montérégiennes
Québec (Québec) G1C 7H3

POURSUIVANT

Le Directeur des poursuites criminelles et pénales
5199, rue Sherbrooke est
Aile A, bur. 3671
Montréal (Québec) H1T 3X2

Dossier OPC : 9507666-1006-0004

J'ai des motifs raisonnables de croire que le défendeur a commis l'infraction suivante :


À Stoneham, district de Québec,

Le ou vers le 9 mars 2016, à l'occasion de la conclusion d'un contrat avec [REDACTED], consommatrice, a constaté ce contrat par un écrit non conforme aux exigences de l'article 58 de la Loi sur la protection du consommateur (chapitre P-40.1), en omettant d'indiquer la description de chaque service faisant l'objet du contrat, le prix comptant de chaque service, le total des sommes que la consommatrice doit déboursier en vertu du contrat, ainsi que la faculté accordée à la consommatrice de résoudre le contrat à sa seule discrétion dans les dix jours qui suivent celui où chacune des parties est en possession d'un double du contrat, commettant ainsi une infraction prévue à l'article 277a) de cette Loi.

Amende minimale : 1 000,00 \$

Me Isabelle Jodoin

Personne autorisée par le poursuivant


Signature

19 janvier 2018

Date

61. Qualinet chose to perpetuate the illegal business model for its own financial gain, and have the audacity to state in the "Avis final" notice they send by bailiff (Exhibit P-10) that they can take all measures to collect payment "*incluant celles permises par la loi*", when the reality is that their business practices and invoices are in violation of the law;
62. And since Qualinet has such high esteem for the rule of law and the Court system (as mentioned in the punitive damages section at paragraph 74 below, they have filed no less than 597 civil proceedings in Quebec as the plaintiff), then they must live by the full consequences of violating the law;
63. Subsidiarily to the conclusion for annulment and full reimbursement, the Applicant claims a reduction of his obligation pursuant to section 272(c) CPA in the amount of **\$1,973.68** (i.e. \$2,573.68 - \$600.00);
64. Applicant's damages are a direct and proximate result of Qualinet's illegal conduct;
65. As a result of the foregoing, Applicant and Class Members are justified in claiming compensatory damages, as well as punitive damages based on Quebec's *Consumer Protection Act*, the *Civil Code of Quebec* and the *Competition Act*;
66. Applicant here notes that although it is clear that Qualinet acts as an itinerant merchant and that sections 55 to 65 CPA apply, should Qualinet argue that the contract was concluded by email, then the rules on distant contracts apply, in

particular sections 54.4(g) and 54.6 CPA, and the violations and remedies apply *mutatis mutandis*;

5) Illegal “interest” of 2% per month

67. As it appears from Exhibit P-10, Qualinet added \$753.07 on account of interest on Applicant’s “État de compte”. Applicant submits that this fee is illegal for several reasons;
68. First, in the “tarification” document signed by the Applicant (Exhibit P-7), Qualinet states the following: “... *des intérêts à un taux de 2% par mois, 24% par année, seront ajoutés à toutes sommes impayées après 30 jours de la réception de la facture*”. However, on his invoice (Exhibit P-9), Qualinet makes no mention of interest and refers to “...*DES FRAIS D’ADMINISTRATION À UN TAUX DE 2% PAR MOIS, 24% PAR ANNÉE, SERONT AJOUTÉS À TOUTES SOMMES IMPAYÉES APRÈS 30 JOURS DE LA DATE DE FACTURATION*”. As such, Qualinet has no legal basis or right to claim “des frais d’administration” of 2% monthly or 24% annually since they were never provided for in the agreement (article 12 CPA);
69. Second, this ambiguity again appears in the “État de compte” sent by Qualinet via bailiff along with the “avis final” (Exhibit P-10) which lists a charge of \$753.07 on account of interest, but in the same document refers to a “frais d’administration” of 2% monthly (this time with no mention of any annual rate of 24%);
70. To this end, Qualinet has already been warned by the Court of Quebec that the interest rate provided for in their contracts of **2% per month** is illegal, because it causes its customers to pay interest on interest, as it appears from the judgment in *Groupe Qualinet inc. c. 9197-1341 Québec inc. (Motel Saint-Hilaire)*, 2022 QCCQ 10009 communicated as **Exhibit P-20**:
- [33] Le Tribunal est d’avis que le taux d’intérêt de 2 % par mois est illégal, mais que le taux de 24 % l’an est admissible, et ce, **afin d’éviter que la défenderesse paie un intérêt sur l’intérêt de 2 %**.
71. Replacing the word “interest” that appears in the contract with “administration fee” on the invoice does not make this fee legal – it just makes it worse;
72. Recently, the Court of Quebec again concluded that the interest charged by Qualinet was illegal and, citing section 3 and 4 of the *Interest Act*, reduced the rate to 5%, as it appears from the judgment rendered in *Groupe Qualinet inc. c. 3088-1155 Québec inc.*, 2023 QCCQ 6017, par. 15, disclosed as **Exhibit P-21**;
73. In the present case, given both the lack of clarity/explanations by Qualinet as to the nature of the interest charge (interest vs. administration fee) rendering the clause and its application incomprehensible, as well as its abusive nature, the

Applicant requests that the interest rate clause be declared incomprehensible and/or abusive and null pursuant to art. 1436 or 1437 CCQ and that Qualinet be ordered to reimburse all “interest” or “administration” fees collected;

6) Charging for a service without first obtaining the consumer's consent (s. 230(a) CPA)

- 73.1 As it appears from Exhibit P-9, Qualinet charged Applicant \$80.00 (**plus 10%, plus 5%, plus TPS/TVQ, and then plus interest**) for “**traitement biocide**”, which he never asked for and which he never consented to. He was never explained the purpose of this treatment by Qualinet before or after;
- 73.2 Applicant refers to paragraph 18 above and Exhibit P-6 which prove the only services he expressly asked for and agreed to;
- 73.3 The Court (Criminal and Penal Division) previously declared Qualinet guilty of offering and charging for its “traitement biocide” without obtaining the consumer’s express prior consent and imposed a \$2,000.00 fine plus costs (**Exhibit P-19.4** at pages 31-33);
- 73.4 Applicant is therefore entitled to request the full reimbursement of the traitement biocide of \$80.00 (plus 10%, plus 5%, plus TPS/TVQ) as well as punitive damages that are significant enough to deter Qualinet from perpetuating this illegal conduct in the future (clearly the guilty verdict and fine of \$2,000.00 for a single violation was not enough of a deterrent);
- 73.5 Applicant further alleges that Qualinet’s practice of charging for “traitement biocide” without the consumer’s express consent is systemic, as it appears from **Exhibit P-29**, which is invoice no. 001-036655 (June 8, 2023) filed as Exhibit P-3 by Groupe Qualinet Inc. in Court of Quebec file no. 200-22-095832-242, in which the latter notably illegally charges \$290 (\$145 x 2) for “traitement biocide” without the consumer’s express prior consent;

Applicant’s claim for punitive damages

74. Applicant is a consumer and can therefore claim punitive damages for several breaches of the CPA, pursuant to s. 272 CPA;
75. Qualinet is clearly a repeat offender and are acting “intentionally” within the meaning of the Supreme Court’s analysis on punitive damages in *Richard v. Time* (see judgments reproduced above for examples);
76. As mentioned above, in 2018, the Directeur des poursuites criminelles et pénales issued a “constat d’infraction” with three (3) counts against Qualinet, with the first count including the omission to inform the consumer of “**le total des sommes que la consommatrice doit déboursier en vertu du contrat**”, which the Court ultimately declared Qualinet guilty of by judgment rendered on December 14, 2018

(Exhibit P-19);

77. Even following the penal proceedings initiated by the DPCP and the Office de la Protection du Consommateur for not respecting the law on itinerant merchants and for charging for services without obtaining the consumer's prior express consent, Qualinet doubled-down on its *modus operandi*;
78. In the present case, Qualinet's conduct is egregious by self-proclaiming itself as the "911 du sinistre" while price gouging consumers who call them in moments of desperation, with complete disregard to the rules of law, and then using an arsenal of pressure such as penalties in the form of high interest (recently and unilaterally rebranded as "administration" fees), collection agencies, registered mail, bailiffs, and lawsuits against vulnerable consumers who are generally at a financial, legal and tactical disadvantage vis-à-vis Qualinet;
79. Qualinet has no qualms about trying to enforce its rights before the Courts when it wants to get paid, having filed no less than **597 lawsuits as plaintiff** before the Courts in the province of Quebec, Applicant disclosing Qualinet's plaintiff-side plunitif as **Exhibit P-22**;
80. Qualinet is a litigious company whose *modus operandi* includes sending bailiff letters to its customers and then suing them, even knowing full well that their contracts are invalid to begin with;
81. Qualinet's overall conduct before (2018 guilty verdict), during (2022 contract with Applicant and other Class Members) and after the violations (2024 and ongoing), is lax, careless, passive and ignorant with respect to Quebec consumers' rights and to their own obligations;
82. There is no doubt that Qualinet's *modus operandi* is intentional, because it knows that if it complied with its legal obligations under the law and provided the price in advance, many customers would either not accept the price (and shop around) or negotiate. By not providing a price upfront and invoicing whatever it wants, Qualinet places itself in an even more dominant position vis-à-vis consumers, many of whom paid out of fear;
83. The CPA is of public order and the parties cannot confirm illegal contracts or derogate by private agreement (sections 261 and 262 CPA);
84. Applicant asks this Court to impose measures that will punish Qualinet, as well as deter and dissuade Qualinet and other merchants from engaging in similar reprehensible conduct to the detriment of Quebec consumers;
85. The reality is that Qualinet has likely generated tens of millions of dollars by continuing to implement its *modus operandi* in flagrant violation of the law;
86. For example, on July 14, 2023, Radio-Canada published an article titled "À Baie-Saint-Paul, des factures de nettoyage laissent un goût amer", in which multiple

flood victims complained about Qualinet's predatory practices, Applicant disclosing **Exhibit P-23.1**:

Plusieurs sinistrés surpris

Sur la rue Saint-Joseph, plusieurs résidents partagent les mêmes interrogations. Radio-Canada a pu consulter les factures de nettoyage d'une **dizaine de sinistrés de Baie-Saint-Paul, tous clients de Qualinet**. Certains montants s'élèvent à 9000 \$, 10 000 \$ et même 14 000 \$ pour le nettoyage d'une maison. Même s'ils ont tous signé un contrat détaillant l'ensemble des tarifs horaires de l'entreprise, **ces clients affirment avoir été surpris du montant total qu'on leur réclamait**.

Dans le cas d'Yves Giroux, la facture s'élève à 7200 \$ pour le nettoyage de sa maison patrimoniale. Le jeudi 4 mai, deux techniciens ont travaillé chez lui pendant 5,5 heures chacun. La facture de Qualinet indique que 2,5 heures ont été facturées à temps et demi. Le contrat stipule que l'entreprise facture plus cher pour le travail effectué après 17 h.

...

« J'avais vu le prix des machines. Mais le prix des personnes, plus les camions, **pis la façon dont c'est chargé, c'est là que je trouve que ça abuse un petit peu pas mal** », dit-il.

Louise Desrosiers, qui habite quelques maisons plus loin, **ne s'attendait pas à recevoir une facture de 4097 \$**.

« **J'ai trouvé que c'était très onéreux** », dit-elle.

Elle a notamment été surprise de voir que l'entreprise facturait des frais administratifs additionnels de 10 % sur le montant total de la facture, et de 8 % de « profit ». Pour Louise Desrosiers, cela représente 564 \$ supplémentaires à payer. Or, ces frais sont bel et bien prévus dans les petits caractères du contrat que Radio-Canada a pu consulter.

87. The video clip displayed with this Radio-Canada article (**Exhibit P-23.2**) shows the shock and dismay of the victims not only of climate disasters, but also victims of Qualinet's illegal practices as alleged herein;
88. This video, Exhibit P-23.2, and the Applicant's personal situation, leave no doubt that Qualinet's business model is to gouge and profit from vulnerable people in moments of desperation, who are in no position whatsoever to negotiate and are so distraught that they do not think of asking for a quote (fortunately for these

individuals, the CPA is of public order and they cannot renounce to receiving a quote in writing before the contract is entered into);

88.1 For example, Qualinet sued one of the Baie-Saint-Paul residents referred to in Exhibit P-23 in Court of Quebec file no. 200-22-095832-242 and they filed as Exhibit P-2 *en liasse* the “*Contrat de location de services et transfert de créances*” and “*tarification*” document which leave no doubt that Qualinet, at best, illegally copied and pasted that class member’s signature on those documents, the whole as appears from **Exhibit P-26**;

88.2 The reason the term “at best” is used in the preceding paragraph is because the Defendant in that matter filed an affidavit under article 262 al. 2 CCP (October 23, 2024) denying her signature on Exhibit P-2 in that file (Exhibit P-26 herein);

88.3 Qualinet’s lawyer in that file at the time admitted that Qualinet operates in some cases by asking consumers to sign only once on a tablet (as opposed to on paper form) and that their signature is then “*ajoutée sur le contrat*”, as it appears from his email (October 29, 2024) filed as Exhibit D-4 in Court of Quebec file no. 200-22-095832-242, containing the following admission and communicated herewith as **Exhibit P-27**:

“M. Lapierre, représentant de Qualinet, nous a expliqué que les contrats et les documents de tarification sont signés sur une tablette électronique. Après avoir consulté le contrat et le document de tarification, le client **signe électroniquement à un endroit défini sur la tablette. La signature est ajoutée sur le contrat et le document de tarification par le logiciel utilisé. C’est pourquoi la signature est la même sur le contrat et le document de tarification**”;

88.4 Another example of Qualinet illegally obtaining only one signature on a tablet and then copying and pasting it on multiple documents is communicated herewith as **Exhibit P-28**, which consists of the following documents, *en liasse*: Contrat de location de services, tarification, “Premier avis” sent by Qualinet via bailiff dated November 23, 2024, and invoice no. 001-040666 (October 9, 2024);

89. Qualinet’s violations are systemic, intentional, calculated, malicious and vexatious;

90. Applicant is accordingly entitled to claim and does hereby claim from Qualinet **\$1,000.00, subject to adjustment**, per Class Member on account of punitive damages. This amount is appropriate because it is the amount Qualinet should have already expected to pay for each violation of section 58 CPA (see Exhibit P-19 and the extract reproduced at paragraph 60 above) and less than the \$2,000.00 Qualinet should have expected to pay for violations of section 230(a) CPA (see Exhibit P-19.4 at pages 31-33);

91. In 2024, *Les Affaires* ranked Qualinet as number 103 out of the top 300 largest

companies in the province of Quebec (with 1250 employees). Qualinet's patrimonial situation is so significant that the foregoing amount of punitive damages is appropriate in the circumstances;

Injunctive relief

92. Applicant has standing to and hereby does seek a Court order ordering Qualinet to cease the prohibited practices as alleged herein, including imposing illegal interest (or "administration" fees) of 2% per month;

B) COMMON QUESTIONS

93. The recourses of the Class Members raise identical, similar or related questions of fact or law, namely:
- a) Does Qualinet fail in its duty to inform customers by not providing a quote for the work to be done in advance?
 - b) Does Qualinet contravene section 12 CPA by charging certain amounts the costs of which are not specified in its contract?
 - c) Does Qualinet contravene section 224(c) CPA by charging a mandatory administration fee of 10% plus a profit fee of an additional 5% to 8% on top?
 - d) Is Qualinet an itinerant merchant and, if so, did it fail with respect to its legal obligations in this regard?
 - e) Are Class Members entitled to request the nullity of their contracts? If so, are they entitled to claim the full reimbursement of the amounts paid?
 - f) Are Class Members entitled to compensatory damages or a reduction of their obligations, and in what amounts?
 - g) Are Class Members who are consumers within the meaning of the CPA entitled to punitive damages and in what amount?
 - h) Is the 2% monthly interest (or administration fee) charged by Qualinet illegal?
 - i) Did Qualinet contravene section 230(a) CPA by charging for "traitement biocide"?
94. Applicant notes that during the interview with Radio-Canada (Exhibit P-23.2), Qualinet's representative declared that "**Qualinet, on intervient dans plusieurs secteurs, pis c'est toute la même fiche de tarification**", meaning that the "tarification" document that Qualinet used in Applicant's case (Exhibit P-7) is the same for all of the Class Members. It follows that the invoices of all Class Members have the same issues as the Applicant's invoice as alleged herein, and that

Qualinet – systematically and for all Class Members – did not provide the total amount that the customer must pay under the contract, in writing and in advance, contrary to the law;

95. Each Class Member is justified in claiming at least one or more of the following as damages:
- The aggregate amounts for items for which the costs were not indicated in the contract;
 - The aggregate amounts of the mandatory costs that Qualinet displayed in a fragmented manner in the contract (i.e. the 10% administration fee and the 5% to 8% profit fee on top) that were imposed on all amounts charged to every contract;
 - Full reimbursement of the amounts paid on account of nullity (section 272(f) CPA), or, in the alternative, a reduction of their obligations in amounts to be determined following discovery on the merits;
 - Full reimbursement of the amounts charged for “traitement biocide” contrary to section 230(a) CPA;
 - Punitive damages in the amount of \$1000.00 each; and
 - The aggregate amounts of interest (unilaterally redefined as “administration” fees) charged by Qualinet of 2% per month.
96. All of the damages to the Class Members are a direct and proximate result of Qualinet’s misconduct;
97. Individual questions, if any, pale by comparison to the common questions that are significant to the outcome of the present Application;

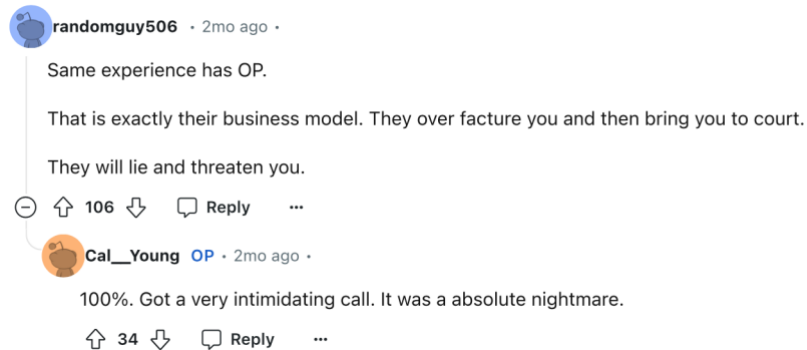
C) COMPOSITION OF THE CLASS

98. 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;
99. Qualinet boasted that they received more than 7000 calls in the month of August 2024 alone (Exhibit P-3);
100. The video linked to the Radio-Canada article (Exhibit P-23.2) describes the situation of 80 residents who used Qualinet’s services, and the article refers to ten invoices which Radio-Canada consulted of Qualinet customers in a similar situation to the Applicant’s;
101. Both consumers and legal persons are included in the class definition because the

Civil Code of Quebec (articles 6, 7, 1401, 2102 and 2106 CCQ) and sections 36 and 52(1.3) of the *Competition Act* also apply to legal persons;

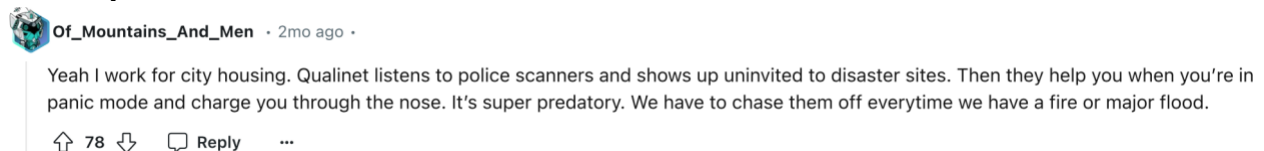
102. Qualinet uses the same *modus operandi* when it contracts with legal persons, Applicant disclosing an example of an invoice recently issued to a company – who never received a quote in advance – as **Exhibit P-24** (several companies have complained about the same situation);
103. Many Class Members have taken to social media to denounce Qualinet's predatory practices, including their *modus operandi* as alleged herein, as it appears from **Exhibit P-25**, which includes the following messages, including from a city employee who accuses Qualinet of listening to police scanners and showing up uninvited to affected properties:

Reddit post:



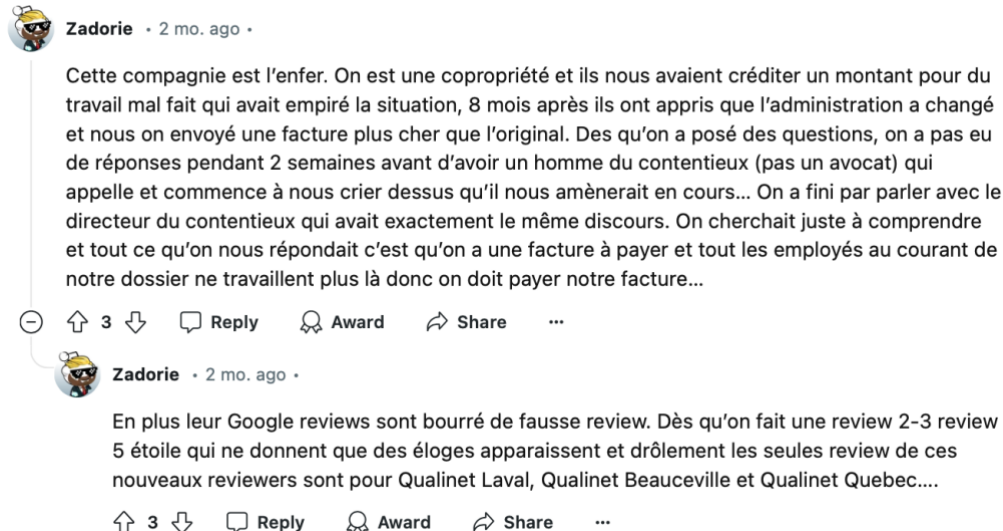
A screenshot of a Reddit post. The user is 'randomguy506', posted 2 months ago. The text of the post reads: 'Same experience has OP. That is exactly their business model. They over facture you and then bring you to court. They will lie and threaten you.' Below the text are interaction icons: a minus sign, an upvote arrow with '106', a downvote arrow, a speech bubble with 'Reply', and a three-dot menu.

Reddit post:



A screenshot of a Reddit post. The user is 'Of_Mountains_And_Men', posted 2 months ago. The text of the post reads: 'Yeah I work for city housing. Qualinet listens to police scanners and shows up uninvited to disaster sites. Then they help you when you're in panic mode and charge you through the nose. It's super predatory. We have to chase them off everytime we have a fire or major flood.' Below the text are interaction icons: an upvote arrow with '78', a downvote arrow, a speech bubble with 'Reply', and a three-dot menu.

Reddit post:



A screenshot of a Reddit post. The user is 'Zadorie', posted 2 months ago. The text of the post reads: 'Cette compagnie est l'enfer. On est une copropriété et ils nous avaient créditer un montant pour du travail mal fait qui avait empiré la situation, 8 mois après ils ont appris que l'administration a changé et nous on envoyé une facture plus cher que l'original. Des qu'on a posé des questions, on a pas eu de réponses pendant 2 semaines avant d'avoir un homme du contentieux (pas un avocat) qui appelle et commence à nous crier dessus qu'il nous amènerait en cours... On a fini par parler avec le directeur du contentieux qui avait exactement le même discours. On cherchait juste à comprendre et tout ce qu'on nous répondait c'est qu'on a une facture à payer et tout les employés au courant de notre dossier ne travaillent plus là donc on doit payer notre facture...' Below the text are interaction icons: a minus sign, an upvote arrow with '3', a downvote arrow, a speech bubble with 'Reply', a bell icon with 'Award', a share icon with 'Share', and a three-dot menu.

A second comment by the same user 'Zadorie', posted 2 months ago, reads: 'En plus leur Google reviews sont bourré de fausse review. Dès qu'on fait une review 2-3 review 5 étoile qui ne donnent que des éloges apparaissent et drôlement les seules review de ces nouveaux reviewers sont pour Qualinet Laval, Qualinet Beauceville et Qualinet Quebec....' Below the text are interaction icons: an upvote arrow with '3', a downvote arrow, a speech bubble with 'Reply', a bell icon with 'Award', a share icon with 'Share', and a three-dot menu.

104. The size of the Class is conservatively estimated to include tens of thousands of consumers and legal persons in Quebec;
- 104.1 Since the original filing of the present action on October 7, 2024, a total of 478 putative class members signed-up on class counsel's website dedicated to this class action (www.lpclex.com/qualinet);
105. The names and addresses of all persons included in the Class are not known to the Applicant, however, are all in the possession of Qualinet; Applicant hereby calls on Qualinet to preserve all of these records, including the email addresses and phone numbers of all Class Members;
106. Class Members are very numerous and are dispersed across the province (see Exhibit P-23 for example);
107. These facts demonstrate that it would be impractical, if not impossible, to contact each and every Class Member to obtain mandates and to join them in one action;
108. In these circumstances, a class action is the only appropriate procedure for all of the members of the Class to effectively pursue their respective rights and have access to justice without overburdening the court system;

D) ADEQUATE REPRESENTATIVE

109. Applicant requests that he be appointed the status of representative plaintiff for the following principal reasons:
 - a) he is a member of the Class and has a personal interest in seeking the conclusions that she proposes herein;
 - b) he is competent, in that she has the potential to be the mandatary of the action if it had proceeded under article 91 of the *Code of Civil Procedure*;
 - c) his interests are not antagonistic to those of other members of the Class;
110. Additionally, Applicant respectfully adds that:
 - a) he has the time, energy, will and determination to assume all the responsibilities incumbent upon him in order to diligently carry out the action;
 - b) he wants to hold Qualinet accountable for its illegal practices and to help other Class Members similarly situated be compensated; and
 - c) he cooperates and will continue to fully cooperate with his attorneys, who have experience in consumer protection-related class actions;
 - d) he has previously been designated as Representative Plaintiff in other class actions and is particularly passionate and interested in helping vulnerable

consumers stand up to large corporations who take advantage of them.

111. As for identifying other Class Members, Applicant draws certain inferences from the situation and realizes that by all accounts, there is a very important number of consumers and companies that find themselves in an identical situation, and that it would not be useful to attempt to identify them given their sheer number;
112. Applicant's attorneys have setup a webpage where Class Members can be kept informed of developments in this case (www.lpclex.com/qualinet);
113. For the above reasons, Applicant respectfully submits that his interest and competence are such that the present class action could proceed fairly and in the best interest of Class Members;

III. DAMAGES

114. During the Class period, Qualinet has likely generated tens of millions of dollars by engaging in the illegal practices alleged herein and charging Class Members as they deem fit;
115. Qualinet's misconduct is reprehensible and to the detriment of vulnerable Quebec consumers;
116. Qualinet must be held accountable for the breach of obligations imposed on it by law, including the:
 - a) *Consumer Protection Act*, notably sections 12, 58(g), 224(c), 228, 230(a) and 272;
 - b) *Civil Code of Quebec*, notably articles 6, 7, 1401, 1407, 2102 and 2106; and
 - c) *Competition Act*, notably sections 36 and 52(1.3).
117. In light of the foregoing, the following damages may be claimed against Qualinet in the aggregate:
 - a) amounts for items for which the costs were not indicated in the contract;
 - b) the mandatory costs that Qualinet displayed in a fragmented manner in the contract (i.e. the 10% administration fee and the 5% to 8% profit fee on top) that were imposed on all amounts charged to every contract;
 - c) full reimbursements or reduction of the Class Members' obligations in amounts to be determined following discovery on the merits;
 - d) punitive damages, in the amount of \$1000.00 per Class Member, for the breach of obligations imposed on Qualinet pursuant to s. 272 CPA; [...]
 - e) The aggregate amounts of interest (unilaterally redefined as

“administration” fees) charged by Qualinet of 2% per month; and

- f) The aggregate amounts charged for “traitement biocide” in contravention of s. 230(a) CPA.

IV. NATURE OF THE ACTION AND CONCLUSIONS SOUGHT

118. The action that the Applicant wishes to institute on behalf of the Class Members is an action in nullity, declaratory judgment, damages and injunctive relief;

119. The conclusions that the Applicant wishes to introduce by way of an originating application are:

1. **GRANT** Plaintiff’s action against Defendant on behalf of all the Class Members;
2. **ORDER** the Defendant to cease engaging in the prohibited practices as alleged in the Originating Application;
3. **ANNUL** the contracts entered into between the Defendant and each of the Class Members since October 7, 2021;
4. **CONDEMN** the Defendant to pay the Plaintiff the sum of \$2,573.68;
5. **CONDEMN** the Defendant to pay to each Class Member the full amount of the annulled contracts and **ORDER** collective recovery of these sums;

SUBSIDIARILY,

6. **CONDEMN** the Defendant to pay to each Class Member an amount to be determined on account of a reduction of their obligations and **ORDER** collective recovery of these sums;
7. **CONDEMN** the Defendant to pay to each Class Member, who is a consumer within the meaning of the CPA, the sum of \$1,000.00 on account of punitive damages, and **ORDER** collective recovery of these sums;
8. **DECLARE** that the clause providing for interest (or administration) fees of 2% monthly or 24% annually is abusive or incomprehensible and therefore null;
9. **CONDEMN** the Defendant to pay to each Class Member the full amount paid on account of interest (or administration) and **ORDER** collective recovery of these sums;
10. **CONDEMN** the Defendant to pay to each Class Member the full amount paid on account of “traitement biocide” and **ORDER** collective recovery of these sums;
11. **CONDEMN** the Defendant to pay interest and the additional indemnity on the above sums according to law from the date of service of the Application to

Authorize a Class Action;

12. ORDER the Defendant to deposit in the office of this Court the totality of the sums which forms part of the collective recovery, with interest and costs;

13. ORDER that the claims of individual Class Members be the object of collective liquidation if the proof permits and alternately, by individual liquidation;

14. CONDEMN the Defendant to bear the costs of the present action at all levels, including the cost of all exhibits, notices, the cost of management of claims and the costs of experts, if any, including the costs of experts required to establish the amount of the collective recovery orders;

V. JURISDICTION

120. The Applicant requests that this class action be exercised before the Superior Court of the province of Quebec, in the district of Montreal, because the Applicant is a consumer and resides in the judicial district of Montreal;

FOR THESE REASONS, MAY IT PLEASE THE COURT:

1. **GRANT** the present application;
2. **AUTHORIZE** the bringing of a class action in the form of an originating application in damages, declaratory judgment and injunctive relief;
3. **APPOINT** the Applicant the status of representative plaintiff of the persons included in the Class herein described as:

| | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Class: All natural and legal persons who contracted with Qualinet and received an invoice from Qualinet dated October 7, 2021 or later; or any other Class to be determined by the Court. | Groupe : Toutes les personnes physiques et morales qui ont contracté avec Qualinet et qui ont reçu une facture de Qualinet datée du 7 octobre 2021 ou après; ou tout autre groupe à être déterminé par la Cour. |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

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

- a) Does Qualinet fail in its duty to inform customers by not providing a quote for the work to be done in advance?
- b) Does Qualinet contravene section 12 CPA by charging certain amounts the costs of which are not specified in its contract?

- c) Does Qualinet contravene section 224(c) CPA by charging a mandatory administration fee of 10% plus a profit fee of an additional 5% to 8% on top?
- d) Is Qualinet an itinerant merchant and, if so, did it fail with respect to its legal obligations in this regard?
- e) Are Class Members entitled to request the nullity of their contracts? If so, are they entitled to claim the full reimbursement of the amounts paid?
- f) Are Class Members entitled to compensatory damages or a reduction of their obligations, and in what amounts?
- g) Are Class Members who are consumers within the meaning of the CPA entitled to punitive damages and in what amount?
- h) Is the 2% monthly interest (or administration fee) charged by Qualinet illegal?
- i) Did Qualinet contravene section 230(a) CPA by charging for "traitement biocide"?

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

1. **GRANT** Plaintiff's action against Defendant on behalf of all the Class Members;
2. **ORDER** the Defendant to cease engaging in the prohibited practices as alleged in the Originating Application;
3. **ANNUL** the contracts entered into between the Defendant and each of the Class Members since October 7, 2021;
4. **CONDEMN** the Defendant to pay the Plaintiff the sum of \$2,573.68;
5. **CONDEMN** the Defendant to pay to each Class Member the full amount of the annulled contracts and **ORDER** collective recovery of these sums;

SUBSIDIARILY,

6. **CONDEMN** the Defendant to pay to each Class Member an amount to be determined on account of a reduction of their obligations and **ORDER** collective recovery of these sums;
7. **CONDEMN** the Defendant to pay to each Class Member, who is a consumer within the meaning of the CPA, the sum of \$1,000.00 on

account of punitive damages, and **ORDER** collective recovery of these sums;

8. **DECLARE** that the clause providing for interest (or administration) fees of 2% monthly or 24% annually is abusive or incomprehensible and therefore null;
 9. **CONDEMN** the Defendant to pay to each Class Member the full amount paid on account of interest (or administration) and **ORDER** collective recovery of these sums;
 10. **CONDEMN** the Defendant to pay to each Class Member the full amount paid on account of "traitement biocide" and **ORDER** collective recovery of these sums;
 11. **CONDEMN** the Defendant to pay interest and the additional indemnity on the above sums according to law from the date of service of the Application to Authorize a Class Action;
 12. **ORDER** the Defendant to deposit in the office of this Court the totality of the sums which forms part of the collective recovery, with interest and costs;
 13. **ORDER** that the claims of individual Class Members be the object of collective liquidation if the proof permits and alternately, by individual liquidation;
 14. **CONDEMN** the Defendant to bear the costs of the present action at all levels, including the cost of all exhibits, notices, the cost of management of claims and the costs of experts, if any, including the costs of experts required to establish the amount of the collective recovery orders;
6. **ORDER** the publication of a notice to the Class Members in accordance with article 579 C.C.P., pursuant to a further order of the Court, and **ORDER** the Defendant to pay for said publication costs;
 7. **FIX** the delay of exclusion at thirty (30) days from the date of the publication of the notice to the members, date upon which the members of the Class that have not exercised their means of exclusion will be bound by any judgement to be rendered herein;
 8. **DECLARE** that all members of the Class that have not requested their exclusion, be bound by any judgment to be rendered on the class action to be instituted in the manner provided for by the law;
 9. **THE WHOLE** with costs including publication fees.

Montreal, December 16, 2024

(s) LPC Avocats

LPC AVOCATS

Me Joey Zukran / Me Lea Bruyere
276, rue Saint-Jacques, suite 801
Montreal, Quebec, H2Y 1N3

Office: (514) 379-1572

Fax: (514) 221-4441

jzukran@lpclex.com

lbruyere@lpclex.com

Lawyers for Applicant

CANADA

PROVINCE OF QUEBEC
DISTRICT OF MONTREAL

(Class Action)
SUPERIOR COURT

NO: 500-06-001337-241

SHAY ABICIDAN

Applicant

v.

GROUPE QUALINET INC.

Defendant

LIST OF EXHIBITS

- Exhibit P-1:** Business information statement from the Quebec Enterprise Register for Groupe Qualinet Inc.;
- Exhibit P-2:** Extract of Qualinet's webpage: www.qualinet.ca/sinistres/;
- Exhibit P-3:** September 9, 2024, publication posted to Qualinet's official Facebook page;
- Exhibit P-4:** OPC list of registered itinerant merchants;
- Exhibit P-5:** Extract of the OPC website for Groupe Qualinet Inc.;
- Exhibit P-6:** Email exchanges of February 25, 2022, between Applicant and Qualinet;
- Exhibit P-7:** Qualinet's "tarification" document;
- Exhibit P-8:** Copy of the judgment rendered in *Groupe Qualinet inc. c. Tancredi*, 2010 QCCQ 9791;
- Exhibit P-9:** Invoice #002-038962 dated July 8, 2022, sent by Qualinet to Applicant;
- Exhibit P-10:** *En liasse*, "Avis final" letter sent by Qualinet to Applicant via bailiff dated October 26, 2023 and updated invoice with interest;

- Exhibit P-11:** Email exchange between Applicant and Qualinet on September 30, 2024;
- Exhibit P-12:** Document containing Qualinet's payment instructions attached to their email of September 30, 2024;
- Exhibit P-13:** Competition Tribunal Judgment in Cineplex (file number CT-2023-003) dated September 23, 2024;
- Exhibit P-14:** *En liasse*, colour-coded grille de tarification and Applicant's invoice;
- Exhibit P-15:** Judgment in *Groupe Qualinet inc. c. Robichaud*, 2020 QCCQ 2499;
- Exhibit P-16:** Judgment in *Qualinet Environnement inc. c. Mailloux*, 2016 QCCQ 9919;
- Exhibit P-17:** Judgment in *Bayard c. Groupe Qualinet inc.*, 2024 QCCQ 197;
- Exhibit P-18:** Judgment in *Groupe Qualinet inc. c. Harnois*, 2015 QCCQ 2549;
- Exhibit P-19:** *En liasse*, OPC's press release dated February 25, 2019 and relevant documents from the penal proceedings against Qualinet;
- Exhibit P-20:** Judgment in *Groupe Qualinet inc. c. 9197-1341 Québec inc. (Motel Saint-Hilaire)*, 2022 QCCQ 10009;
- Exhibit P-21:** Judgment in *Groupe Qualinet inc. c. 3088-1155 Québec inc.*, 2023 QCCQ 6017;
- Exhibit P-22:** Plumitif showing Groupe Qualinet Inc. as plaintiff in 597 court files;
- Exhibit P-23:** *En liasse*, Radio-Canada article and video published on July 14, 2023 titled "*À Baie-Saint-Paul, des factures de nettoyage laissent un goût amer*";
- Exhibit P-24:** Invoice issued to a company by Qualinet on October 5, 2023;
- Exhibit P-25:** *En liasse*, Reddit thread and X post concerning Qualinet.
- Exhibit P-26:** Documents filed as Exhibit P-2 by Groupe Qualinet Inc. in Court of Quebec file no. 200-22-095832-242 in which the latter illegally copied and pasted a signature on several documents;
- Exhibit P-27:** Email from Groupe Qualinet Inc.'s attorney (October 29, 2024) filed as Exhibit D-4 in Court of Quebec file no. 200-22-095832-242, containing the following admission: "*M. Lapierre, représentant de Qualinet, nous a*

expliqué que les contrats et les documents de tarification sont signés sur une tablette électronique. Après avoir consulté le contrat et le document de tarification, le client **signe électroniquement à un endroit défini sur la tablette. La signature est ajoutée sur le contrat et le document de tarification par le logiciel utilisé. C'est pourquoi la signature est la même sur le contrat et le document de tarification**";

Exhibit P-28: En liasse, invoice no. 001-040666 (October 9, 2024), the “Premier avis” sent by Groupe Qualinet Inc. by bailiff dated November 23, 2024, as well as related documents in which Groupe Qualinet Inc. illegally copied and pasted a signature on several documents;

Exhibit P-29: Invoice no. 001-036655 (June 8, 2023) filed as Exhibit P-3 by Groupe Qualinet Inc. in Court of Quebec file no. 200-22-095832-242 in which the latter notably illegally charges \$290 (\$145 x 2) for “traitement biocide” without the consumer’s express prior consent.

These exhibits are available on request.

Montreal, December 16, 2024

(s) LPC Avocats

LPC AVOCATS

Me Joey Zukran / Me Lea Bruyere

276, rue Saint-Jacques, suite 801

Montreal, Quebec, H2Y 1N3

Office: (514) 379-1572

Fax: (514) 221-4441

jzukran@lpclex.com

lbruyere@lpclex.com

Lawyers for Applicant