

C A N A D A

PROVINCE OF QUEBEC
DISTRICT OF MONTREAL

NO: 500-06-001360-250

SUPERIOR COURT
(Class Actions)

VALERIE [REDACTED]
[REDACTED]

Applicant

v.

AUDI CANADA INC., legal person having its head office at 777 Bayly Street West, City of Ajax, Province of Ontario, L1S 7G7

and

VOLKSWAGEN GROUP CANADA INC., legal person having its head office at 777 Bayly Street West, City of Ajax, Province of Ontario, L1S 7G7

Defendants

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, YOUR APPLICANT STATES:

1. The Applicant seeks to institute a class action on behalf of the following class of which she is a member, namely:

Class: All persons who purchased and/or leased an Audi e-tron vehicle manufactured, distributed, supplied, wholesaled and/or imported by Audi. or any other Class to be determined by the Court.	Groupe : Toutes les personnes qui ont acheté et/ou loué un véhicule Audi e-tron fabriquée, distribuée, fournie, vendue en gros et/ou importée par Audi. ou toute autre groupe à être déterminé par la Cour.
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I. CONDITIONS REQUIRED TO AUTHORIZE THIS CLASS ACTION

A) THE FACTS ALLEGED APPEAR TO JUSTIFY THE CONCLUSIONS SOUGHT:

2. The Applicant is a consumer within the meaning of Quebec's *Consumer Protection Act* ("CPA");
3. In September 2023, the Applicant entered into a lease for a 2023 Audi Q4 e-tron at the Audi Prestige Gabriel Ouest dealership, Applicant disclosing her lease as **Exhibit P-1**;
4. The Applicant is the registered driver of the vehicle, as it appears from the SAAQ registration certificate disclosed as **Exhibit P-2**;
5. Applicant traded in her previous BMW vehicle which was applied to the lease payments and, along with the government incentives for electric vehicles, brought her monthly payments to \$650.00;
6. Prior to this date, the Applicant had pre-ordered the Q-4 e-tron from Audi about a year and half in advance, given that these electric vehicles were being marketed and sold by Audi, but not yet available for delivery to customers;
7. The Applicant decided to lease this Audi Q4 e-tron model because she was looking for an environmentally friendly electric vehicle that was safe, made by a reputable manufacturer and within her budget. She also considered Audi to be a luxury higher-end) car brand;
8. At the time of placing her order and then entering into the lease, the Applicant was under the impression that she was leasing an electric vehicle that was free of any production/safety issues, as well as any design and/or manufacturing defects – and because she thought that she was leasing a safe and reliable vehicle that was sufficiently tested by Audi before being put on the market;
9. Unbeknownst to her, she was wrong. The Audi e-tron is a lemon;
10. In fact, it is widespread that the Audi e-tron is a lemon, suffers from many serious defects, was not adequately tested before being sold, and was clearly not ready to be put on the market, as it appears from the Montreal Gazette article titled "*'I thought I was going to die': Some Quebec Audi drivers say their EVs are malfunctioning*" (**Exhibit P-3**), and from the Journal de Montréal article titled "*Consommation auto: ils regrettent l'achat de leurs autos électriques - Plusieurs dizaines de Québécois ragent contre leur Audi Q4 e-tron*" (**Exhibit P-4**);
11. Applicant's vehicle suffers from the same issues as those described by the other Class Members in Exhibit P-3 and P-4, all of whom, including the Applicant, clearly overpaid, as their Audi e-tron has serious safety and manufacturing defects;

12. The defects in the e-tron vehicles have been confirmed by Audi's dealership representatives (who have admitted to the Applicant and to other Class Members that they are aware of the defects, in particular with the battery and geolocation, and that many other customers have come in with the same issues with their e-trons);
13. In the Applicant's case, in particular, her battery does not function adequately, effectively transforming her Q4 e-tron from a long-range vehicle to a short-range city vehicle. She also experiences issues with starting the car and has brought her vehicle to the dealership for these issues;
14. When trying to charge her Q4 e-tron, the Audi mobile application will often indicate that it takes more than 30 hours for a full battery charge, which is absurd and never disclosed by Audi (and contrary to what Audi promised and advertised when marketing the e-tron);
15. Applicant will often charge her Q4 e-tron overnight, and the battery will only gain a handful of kilometers, making it virtually impossible for her to use her vehicle without constantly charging it, which, again, was not a "feature" disclosed or advertised by Audi;
16. Applicant's Audi dealership has advised her that they were looking into the issue and informed her that she was not the only customer experiencing major defects with the Audi e-tron model. They further advised her that there was no repair timeline in sight for the issues that she and other Class Members are experiencing;
17. The Applicant made several requests for Audi to repair the defects in her Q4 e-tron, but Audi has neglected to do so until this day (February 12, 2025);
18. The Applicant hereby alleges that the delay of more than 1 year to repair the defects is unreasonable within the meaning of section 39 CPA (as interpreted and applied by the jurisprudence) which stipulates:

39. Where goods being the object of a contract are of a nature that requires maintenance, **replacement parts and repair service must be available for a reasonable time** after the making of the contract.

The merchant or the manufacturer may release himself from this obligation by warning the consumer in writing, before the contract is entered into, that he does not supply replacement parts or repair service.

39. Si un bien qui fait l'objet d'un contrat est de nature à nécessiter un travail d'entretien, les **pièces de rechange et les services de réparation doivent être disponibles pendant une durée raisonnable** après la formation du contrat.

Le commerçant ou le fabricant peut se dégager de cette obligation en avertissant le consommateur par écrit, avant la formation du contrat, qu'il ne fournit pas de pièce de rechange ou de service de réparation.

19. It goes without saying that the defects and the delays to repair them makes it extremely annoying to drive her Audi e-tron – and something the Applicant was not aware of at the time of purchasing her Audi e-tron (which was concealed by the Defendants, contrary to section 228 CPA);
20. The Applicant was entitled to expect, and rightly expected, that the Defendants guarantee the quality of the vehicles they design, market and sell;
21. Applicant has since been told by the Audi dealership that there is no repair available and that Audi would not provide her with a replacement vehicle in the interim nor any compensation;
22. The Audi dealership employees – acting on behalf of the Defendants – refused both of the Applicant's requests, and Audi has still not performed the safety repairs as of the filing of this action on February 12, 2025;
23. It is clear to the Applicant that Audi is not taking the situation seriously and she is therefore bringing this action in order to hold Audi accountable and to obtain compensation from Audi for herself and all Class Members similarly situated;
24. The Applicant has suffered ascertainable loss as a result of Audi's failure to respect sections 39 and 228 CPA, as well as its omissions and misrepresentations, including, but not limited to: (i) overpayment for the vehicle; (ii) trouble and inconvenience beyond those to be expected by the average car owner; and (iii) moral damages;
25. Had the Applicant been aware of these defects, she would have never leased this Audi e-tron, regardless of the price;
26. The Applicant's damages are a direct and proximate result of the Defendants' misconduct and their violations of sections 37, 38, 39, 40, 41, 53, 215, 219, 220(a), 221(g), and 228 CPA, thus rendering section 272 applicable, section 6 of Quebec's *Charter*, as well articles 1728-1730 C.C.Q.;
27. Quebec consumer law is a matter of protective public order;
28. As a professional seller, Audi has **presumed** and **actual knowledge** of the defects in their e-tron models;
29. In consequence of the foregoing, the Applicant is justified in claiming the following damages pursuant to section 272 CPA, the Quebec *Charter* and the Civil Code:
 - a) Reduction of her obligations in an amount to be determined as of the date that Audi repairs the safety issue (s. 272(c)), or the nullity of the contract (s. 272(f)); and
 - b) Punitive damages of \$5,000.00.

Punitive Damages (s. 272 CPA and the Quebec Charter)

30. Punitive damages are appropriate in this situation in order to send a strong message to vehicle manufacturers that vehicle owners should never have to wait for months and years for safety repairs to be performed and that manufacturers should not conceal safety issues and defects from their customers and the public at the time of sale;
31. Additionally, there is no doubt that the Defendants rushed to put their electric (e-tron) vehicles to market, without proper testing. This type of conduct harms Quebec consumers (see, for example, Exhibit P-3 and Exhibit P-4);
32. The punitive damages provided for in section 272 CPA have a preventive objective, that is, to discourage the repetition of such undesirable conduct;
33. Moreover, section 6 of Quebec's *Charter of Human Rights and Freedoms* guarantees that every person has a right to the peaceful enjoyment his/her property and section 49 stipulates that moral and punitive damages can be awarded in the case of an unlawful and intentional interference of this right;
34. Indeed, Audi's conduct can only be qualified as "intentional", as it has been aware of the safety issue in its e-tron vehicles for several years, and has concealed it from its customers in order to continue profiting from the sales of its defective vehicles (Audi even sent Technical Service Bulletins to its dealers concerning these defects);
35. The reality is that Audi is more concerned about its bottom line, and it was more profitable for Audi to conceal the safety issues and defects affecting its e-tron electric vehicles from the Applicant and Class Members, since no reasonable person would purchase/lease a luxury-brand electric vehicle whose driving range is significantly less than that advertised and which takes hours to charge to only gain a few kilometers of driving distance, or which simply doesn't turn on;
36. Audi's violations are intentional, malicious, vexatious, and dangerous. Audi could have offered the Applicant (and Class Members) a replacement vehicle of similar value until the safety/defect repairs are performed, but chose not to (once again, in order to make more money);
37. In these circumstances, the Applicant's claim for punitive damages in the amount of \$5,000.00 per Class Member, subject to adjustment, is justified;

B) COMMON QUESTIONS

38. As manufactures, distributors, suppliers, wholesalers and/or importers of the Defective Vehicles, Audi is bound to warrant Class Members that the vehicles and its accessories are, at the time of the sale, free of latent defects which render them unfit for the use for which it was intended or which so diminish its usefulness that the buyer would not have bought it or paid so high a price if she

had been aware of them;

39. As professional sellers, Audi is presumed to have known about the safety defects affecting its e-tron models;
40. Class Members benefit from the legal presumption that the defect existed at the time of the sale/lease, since e-tron models sold by Audi to Class Members malfunction prematurely in comparison with identical vehicles or vehicles of the same type;
41. Audi cannot rebut this presumption because its representatives have admitted to the Applicant and to other Class Members that the defects in its e-tron models are due to a production issue and not due to improper use of the vehicle by Class Members;
42. The above paragraph constitutes an admission by Audi that it sells and leases vehicles to Class Members that suffer from safety and general defects;
43. Individual questions, if any, pale by comparison to the common questions that are significant to the outcome of the present Application;
44. **The recourses of the Class members raise identical, similar or related questions of fact and law, namely:**
 - a) Are the Audi e-tron vehicles defective?
 - b) If so, did the Defendants fail to satisfy the requirements of sections 37, 38, 39, 40, 41, 53, 215, 219, 220(a), 221(g), or 228 CPA, or of articles 1728-1730 CCQ?
 - c) Did the Defendants breach section 6 of the *Quebec Charter*?
 - d) Are Class Members entitled to:
 - i. a reduction of their obligations (or of the vehicle purchase price) and in what amount? Alternatively, the cancellation of their contracts?
 - ii. damages for trouble and inconvenience and in what amount?
 - iii. moral damages and in what amount?
 - iv. punitive damages of \$5000.00 per Class Member?

C) THE COMPOSITION OF THE CLASS

45. 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;

46. According to the January 13, 2025, article published in the Journal de Montréal (Exhibit P-4): “*Plusieurs dizaines de propriétaires québécois d’une Audi Q4 électrique fulminent alors que leurs véhicules ont des problèmes récurrents de démarrage, de recharge et de géolocalisation*”;
47. The Montreal Gazette article (Exhibit P-3) refers to several thousand e-tron vehicles sold in Quebec;
48. The Applicant was told by her Audi dealership that many other Class Members have complained that their e-trons (including those with different models and years) are also defective, and the dealerships have confirmed that they are, in fact, defective;
49. Class members are very numerous and are dispersed across the province and country;
50. 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;
51. 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

52. The Applicant requests that she be appointed the status of representative plaintiff for the following main reasons:
 - a) She is a member of the Class and has a personal interest in seeking the conclusions that she proposes herein;
 - b) She 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) Her interests are not in conflict with those of other Class members;
53. As for identifying other Class Members, the Applicant knows of several other class members with defective Audi e-trons. She also draws certain inferences from the situation, and this based on the information provided to her by her Audi dealership. The Applicant realizes that by all accounts, there is an important number of Class Members that find themselves in a similar situation, and that it would not be useful for her to attempt to identify them given their sheer number;

II. NATURE OF THE ACTION AND CONCLUSIONS SOUGHT

54. The action that the Applicant wishes to institute on behalf of the Class Members is an action in damages, or, alternatively, in nullity of a contract;

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

1. **ALLOW** the class action of the Representative Plaintiff and the Class Members against the Defendants;
2. **CONDEMN** the Defendants, solidarily, to pay to each Class Member compensatory damages in an amount to be determined, and **ORDER** collective recovery of these sums;
3. **CONDEMN** the Defendants, solidarily, to pay to each Class Member \$5000.00 in punitive damages, subject to adjustment, and **ORDER** collective recovery of these sums;
4. **CONDEMN** the Defendants, solidarily, 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;
5. **ORDER** the Defendants to deposit in the office of this Court the totality of the sums which forms part of the collective recovery, with interest and costs;
6. **ORDER** that the claims of individual Class Members be the object of collective liquidation if the proof permits and alternately, by individual liquidation;
7. **CONDEMN** the Defendants, solidarily, to bear the costs of the present action including the cost of 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;

III. JURISDICTION

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

FOR THESE REASONS, MAY IT PLEASE THE COURT:

1. **AUTHORIZE** the bringing of a class action in the form of an originating application in damages;
2. **APPOINT** the Applicant the status of representative plaintiff of the persons included in the Class herein described as:

Class: All persons who purchased and/or leased an Audi e-tron vehicle manufactured,	Groupe : Toutes les personnes qui ont acheté et/ou loué un véhicule Audi e-tron fabriquée,
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distributed, supplied, wholesaled and/or imported by Audi.	distribuée, fournie, vendue en gros et/ou importée par Audi.
or any other Class to be determined by the Court.	ou toute autre groupe à être déterminé par la Cour.

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

- a) Are the Audi e-tron vehicles defective?
- b) If so, did the Defendants fail to satisfy the requirements of sections 37, 38, 39, 40, 41, 53, 215, 219, 220(a), 221(g), or 228 CPA, or of articles 1728-1730 CCQ?
- c) Did the Defendants breach section 6 of the *Quebec Charter*?
- d) Are Class Members entitled to:
 - i. a reduction of their obligations (or of the vehicle purchase price) and in what amount?
 - ii. damages for trouble and inconvenience and in what amount?
 - iii. moral damages and in what amount?
 - iv. punitive damages of \$5000.00 per Class Member?

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

1. **ALLOW** the class action of the Representative Plaintiff and the Class Members against the Defendants;
2. **CONDEMN** the Defendants, solidarily, to pay to each Class Member compensatory damages in an amount to be determined, and **ORDER** collective recovery of these sums;
3. **CONDEMN** the Defendants, solidarily, to pay to each Class Member \$5000.00 in punitive damages, subject to adjustment, and **ORDER** collective recovery of these sums;
4. **CONDEMN** the Defendants, solidarily, 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;
5. **ORDER** the Defendants to deposit in the office of this Court the totality of the sums which forms part of the collective recovery, with interest

and costs;

6. **ORDER** that the claims of individual Class Members be the object of collective liquidation if the proof permits and alternately, by individual liquidation;
7. **CONDEMN** the Defendants, solidarily, to bear the costs of the present action including the cost of 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;
5. **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 Defendants to pay for said publication costs;
6. **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;
7. **DECLARE** that all Class Members that have not requested their exclusion, be bound by any judgement to be rendered on the class action to be instituted in the manner provided for by law;
8. **THE WHOLE** with costs including publication fees.

Montreal, February 12, 2025

Montreal, February 12, 2025

(s) LPC Avocats

LPC AVOCATS

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Counsel for the Representative Plaintiff

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Counsel for the Representative Plaintiff

SUMMONS
(ARTICLES 145 AND FOLLOWING C.C.P)

Filing of a judicial application

Take notice that the Applicant has filed this Application for Authorization to Institute a Class Action and to Appoint the Status of Representative Plaintiff in the office of the **Superior Court of Quebec** in the judicial district of **Montreal**.

Defendant's answer

You must answer the application in writing, personally or through a lawyer, at the courthouse of **Montreal** situated at **1 Rue Notre-Dame E, Montréal, Quebec, H2Y 1B6**, within 15 days of service of the Application or, if you have no domicile, residence or establishment in Québec, within 30 days. The answer must be notified to the Applicant's lawyer or, if the Applicant is not represented, to the Applicant.

Failure to answer

If you fail to answer within the time limit of 15 or 30 days, as applicable, a default judgement may be rendered against you without further notice and you may, according to the circumstances, be required to pay the legal costs.

Content of answer

In your answer, you must state your intention to:

- negotiate a settlement;
- propose mediation to resolve the dispute;
- defend the application and, in the cases required by the Code, cooperate with the Applicant in preparing the case protocol that is to govern the conduct of the proceeding. The protocol must be filed with the court office in the district specified above within 45 days after service of the summons or, in family matters or if you have no domicile, residence or establishment in Québec, within 3 months after service;
- propose a settlement conference.

The answer to the summons must include your contact information and, if you are represented by a lawyer, the lawyer's name and contact information.

Change of judicial district

You may ask the court to refer the originating Application to the district of your domicile or residence, or of your elected domicile or the district designated by an agreement with the plaintiff.

If the application pertains to an employment contract, consumer contract or insurance contract, or to the exercise of a hypothecary right on an immovable serving as your main residence, and if you are the employee, consumer, insured person, beneficiary of the insurance contract or hypothecary debtor, you may ask for a referral to the district of your domicile or residence or the district where the immovable is situated or the loss occurred. The request must be filed with the special clerk of the district of territorial jurisdiction after it has been notified to the other parties and to the office of the court already seized of the originating application.

Transfer of application to Small Claims Division

If you qualify to act as a plaintiff under the rules governing the recovery of small claims, you may also contact the clerk of the court to request that the application be processed according to those rules. If you make this request, the plaintiff's legal costs will not exceed those prescribed for the recovery of small claims.

Calling to a case management conference

Within 20 days after the case protocol mentioned above is filed, the court may call you to a case management conference to ensure the orderly progress of the proceeding. Failing this, the protocol is presumed to be accepted.

Exhibits supporting the application

In support of the Application for Authorization to Institute a Class Action and to Appoint the Status of Representative Plaintiff, the Applicant intends to use the following exhibits:

- Exhibit P-1:** Copy of the Applicant's Audi lease;
- Exhibit P-2:** Copy of the Applicant's SAAQ registration certificate;
- Exhibit P-3:** Montreal Gazette article titled "*'I thought I was going to die': Some Quebec Audi drivers say their EVs are malfunctioning*";
- Exhibit P-4:** Journal de Montréal article titled "*Consommation auto: ils regrettent l'achat de leurs autos électriques*";

These exhibits are available on request.

Notice of presentation of an application

If the application is an application in the course of a proceeding or an application under Book III, V, excepting an application in family matters mentioned in article 409, or VI of the Code, the establishment of a case protocol is not required; however, the application must be accompanied by a notice stating the date and time it is to be presented.

Montreal, February 12, 2025

(s) LPC Avocats

LPC AVOCATS

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Counsel for the Representative Plaintiff

Montreal, February 12, 2025

(s) Renno Vathilakis Inc.

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Counsel for the Representative Plaintiff

NOTICE OF PRESENTATION
(articles 146 and 574 al. 2 C.C.P.)

TO: AUDI CANADA INC.
777 Bayly Street West
Ajax, Ontario, L1S 7G7

VOLKSWAGEN GROUP CANADA INC.
777 Bayly Street West
Ajax, Ontario, L1S 7G7

Defendants

TAKE NOTICE that the Applicant's *Application to Authorize the Bringing of a Class Action* will be presented before the Superior Court at **1 Rue Notre-Dame E, Montréal, Quebec, H2Y 1B6**, on the date set by the coordinator of the Class Action Division.

GOVERN YOURSELVES ACCORDINGLY.

Montreal, February 12, 2025

Montreal, February 12, 2025

(s) LPC Avocats

LPC AVOCATS

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