

# QUEBEC CLASS ACTION SETTLEMENT

## NOTICE OF HEARING FOR SETTLEMENT APPROVAL HEARING, OPT-OUT AND DISCONTINUANCE

### **BADAQUI V. APPLE CANADA INC. ET AL. CLASS ACTION N° 500-06-000897-179**

This notice is to all persons who:

- (1) purchased an iPhone since December 29, 2014 (Battery Class), and/or
- (2) between December 20, 2015 and January 26, 2023, purchased AppleCare and/or AppleCare+ for an Apple product in Quebec including but not limited to an iPhone, Apple Watch, iPad, iPod, Mac and/or MacBook and were not informed of their legal warranty under the *Consumer Protection Act* at the time of purchase (AppleCare Class).

**PLEASE READ THIS NOTICE CAREFULLY. IT MAY AFFECT YOUR RIGHTS.**

**THIS CLASS ACTION HAS BEEN SETTLED, SUBJECT TO COURT APPROVAL.**

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#### **AUTHORIZATION OF THE CLASS ACTION**

On December 29, 2017, a class action was commenced in Quebec against Apple Canada Inc. and Apple Inc. (“Apple”), and later amended, notably alleging that: (1) Apple failed in its duty to inform consumers of the limited lifespan of the rechargeable batteries in relation to the lifespan of the iPhone when consumers purchased an iPhone, and (2) when selling AppleCare and/or AppleCare+, Apple failed in its duty to inform Quebec consumers, orally and in writing, in the manner prescribed by regulation, of the existence and nature of the legal warranty under the *Consumer Protection Act* (“CPA”). The Representative Plaintiffs asked the Court to order Apple to pay compensatory and punitive damages in amounts to be determined.

On July 16, 2019, the Honourable Justice Chantal Corriveau of the Superior Court of Québec authorized the bringing of this class action against the Defendants. On March 17, 2021, and as rectified on April 15, 2021, the Quebec Court of Appeal redefined one of two class descriptions and a common question. The classes were defined as follows:

#### **Apple Battery Class:**

All consumers who purchased an iPhone since December 29, 2014.

#### **AppleCare Class:**

All consumers who, since December 20, 2015, purchased “AppleCare” and/or “AppleCare+” for an Apple product including an iPhone, Apple Watch, iPad, iPod and/or MacBook and were not informed of their legal warranty under the *Consumer Protection Act* at the time of purchase.

(Together, the “Classes” or “Class Members”)

The common questions authorized are as follows:

1. Did Apple fail in its duty to inform consumers of the limited lifespan of the rechargeable batteries in relation to the lifespan of the iPhone when they purchased the product it manufactured and sold?
2. Did Apple fail in its duty to inform in its representations to Quebec consumers regarding the AppleCare and/or AppleCare+ warranty, in violation of section 228.1 CPA?
3. In the absence of adequate information when representing the AppleCare and/or AppleCare+ warranty to Quebec consumers, are the latter entitled to the remedies provided for under section 272 CPA and, if so, which ones?
4. Should Apple pay compensatory and/or punitive damages to class members and in what amount?

As a Class Member, you have the right to intervene in the present Class Action, in the manner provided for by law. No Class Member other than the representative plaintiff or an intervenor may be required to pay legal costs arising from the class action.

### **PROPOSED SETTLEMENT OF THE CLASS ACTION**

The parties to this class action have reached a proposed settlement (the “**Settlement Agreement**”), subject to obtaining the approval of the Superior Court of Quebec. The Settlement Agreement provides that the Defendants will pay a total of \$6,000,000.00 CAD, which includes the payment of Class Counsel fees of 30% of this amount (\$1,800,000.00 CAD) plus taxes and disbursements, but excludes the payment of Administration Expenses, which will be paid separately by the Defendants.

This Settlement Agreement is a compromise of disputed claims and is not an admission of liability, wrongdoing or fault on the part of the Defendants.

The Settlement Agreement, if approved by the Court, provides for benefits to be paid to Eligible AppleCare Class Members. An Eligible AppleCare Class Member is an AppleCare Class Member who purchased AppleCare in a Quebec Apple Store. This specifically excludes the purchase of AppleCare by any other method.

If approved by the Court, this Settlement Agreement provides for Eligible AppleCare Class Members to:

- a) automatically receive \$25.00 per AppleCare contract purchased in an Apple Store in Quebec between December 20, 2015 and January 26, 2023;
- b) be able to submit a claim that, if approved, will provide for an additional amount of up to 50% of what they paid for their AppleCare contract(s), before sales tax, between December 20, 2015 and January 26, 2023.

Eligible AppleCare Class Members will receive these payments via an e-transfer to their last known email address that the Defendants have on file.

If you are receiving this Notice by post, Apple does not have a valid email address for you on file. Please contact the Claims Administrator to provide information for an e-transfer. Otherwise, if the settlement is approved, you will receive a cheque to this same address.

In return for the payment of the Settlement Amount, the Defendants will receive a release from the AppleCare Class Members and a declaration of settlement out of court of the Class Action.

### **DISCONTINUANCE OF THE BATTERY CLASS**

The Plaintiffs will discontinue the claims related to the Battery Class. If the Court allows the discontinuance, the Battery Class and related Battery Claim will be terminated. Limitation periods will no longer be suspended. Therefore, should they so desire, Battery Class Members may pursue their own legal claims at their own expense.

The Battery Class Members will not be compensated related to this claim and no release from the Battery Class will be given towards the Defendants.

### **SETTLEMENT APPROVAL HEARING**

A hearing before the Superior Court of Québec will be held on **June 12, 2023 at 9:00 a.m.**, at the Montreal courthouse located at 1, Notre-Dame East Street, Montreal, Quebec, in **room 2.08**, or via a TEAMS link. This date may be subject to adjournment by the Court without further publication notice to the Class Members, other than such notice which will be posted on Class Counsel's website [www.lpclex.com/AppleCare](http://www.lpclex.com/AppleCare) or on the Claims Administrator's website: [www.ConsumerWarrantyClassAction.com](http://www.ConsumerWarrantyClassAction.com).

**If you wish to be included in the Class Action, you have nothing to do.**

**If you do not wish to participate in this class action:**

If you are a member of the AppleCare Class or the Battery Class and you wish to exclude yourself from the Class Action, you will not be entitled to participate further in the Class Action, or to share in the distribution of funds received as a result of the Settlement Agreement. To exclude yourself, you must send a notice no later than **June 11, 2023**, by email to Class Counsel at the following address: [jzukran@lpclex.com](mailto:jzukran@lpclex.com). You must state that you wish to exclude yourself from the class action *Badaoui v. Apple Canada Inc. et al.* (case number N° 500-06-000897-179).

**If you wish to object to the terms of the proposed Settlement Agreement:**

If you disagree with the Settlement Agreement, but you do not wish to opt out of the class action, you can object to the Settlement Agreement by delivering a written submission on or before **June 11, 2023**, filed with the Court or Class Counsel (at the following address: [jzukran@lpclex.com](mailto:jzukran@lpclex.com)) in accordance with the proposed Settlement Agreement and containing the following information:

- (a) The objector's name, address, telephone number(s), fax number (where applicable) and email address(es);
- (b) A brief statement outlining the nature of, and reason for, the objection; and
- (c) A statement as to whether the objector intends to appear at the Settlement Approval Hearing in person or by legal counsel and, if by legal counsel, the name, address, telephone number, fax number and email address of such legal counsel.

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

**Class Members who do not oppose the proposed Settlement Agreement do not need to appear at any hearing or take any other action to indicate their desire to support the proposed Settlement Agreement.**

If the Settlement Agreement is approved, another notice to Class Members will be sent explaining the method of distributing the settlement funds and confirming the approval of the discontinuance of the Battery Class.

#### **MORE INFORMATION**

For further information or details about the proposed Settlement Agreement, you may contact class counsel identified below. Your name and any information provided will be kept confidential. Please do not contact the Defendants, or the judges of the Superior Court.

**Mtre. Joey Zukran**

**LPC Avocat Inc.**

276 rue Saint-Jacques, Suite 801  
Montréal, Québec, H2Y 1N3  
Telephone: 514 379-1572  
Email: [jzukran@lpclex.com](mailto:jzukran@lpclex.com)

**Mtre. Michael Vathilakis**

**Renno Vathilakis Inc.**

145 St-Pierre Street, Suite 201  
Montreal, Quebec, H2Y 2L6  
Telephone: 514 937-1221  
Email: [mvathilakis@renvath.com](mailto:mvathilakis@renvath.com)

You may also visit the Settlement Website at [www.ConsumerWarrantyClassAction.com](http://www.ConsumerWarrantyClassAction.com) or contact the Claims Administrator:

**RicePoint Administration Inc.  
P.O. Box 3355  
London, Ontario, N6A 4K3  
1-855-662-1833**

#### **INTERPRETATION**

If there is a conflict between the provisions of this Notice and the Settlement Agreement, the terms of the Settlement Agreement will prevail.

**THE PUBLICATION OF THIS NOTICE TO CLASS MEMBERS  
HAS BEEN APPROVED AND ORDERED BY THE SUPERIOR COURT OF QUEBEC.**