

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL
N° : 500-06-000773-156

SUPERIOR COURT
(Class Actions)

JEAN-LUC CORBEIL

and

MARC-ANDRÉ PILON

Plaintiffs

v.

BELL CANADA

Defendant

TRANSACTION

(Article 2631 of *Civil Code of Québec* and article 590 of *Code of Civil Procedure*)

WHEREAS, on November 7, 2019, the Court of Appeal appointed Jean-Luc Corbeil and Marc-André Pilon as representative plaintiffs and authorized the Class Action against the Defendant on behalf of the following group:

All natural and legal persons with less than fifty (50) employees, domiciled or having been domiciled in Quebec, and having paid between February 1, 2010 and June 30, 2013 cancellation and/or early termination fees to Bell Canada pursuant to a contract entered into before June 30, 2010 and concerning an Internet access and/or television service.

WHEREAS, on November 18, 2021, the Plaintiffs filed their *Originating Application for a Class Action*;

WHEREAS, the Plaintiffs alleges that the Early Termination Fees charged by the Defendant were abusive and disproportionate, and considerably exceeded the economic harm suffered by the Defendant as a result of service cancellations;

WHEREAS, the Plaintiffs also alleges that the 30-day Deactivation Notice required by the Defendant is a termination fee;

WHEREAS, if the Class Action had gone to trial, the Defendant would have inter alia adduced evidence of the value of the Early Termination Fees paid by Class Members and of the economic advantages received by Class Members in consideration for their commitment to a fixed-term contract;

WHEREAS, such information was provided to Class Counsel as part of the Settlement negotiations;

WHEREAS, during the class period, the Defendant alleges that no Early Termination Fees were charged to Class Members who cancelled a television service contract for business customers;

WHEREAS, since May 1, 2010, the Internet access service contract for business customers has contained an arbitration clause;

WHEREAS, on November 1, 2022, the Parties entered into an agreement in principle to settle the Class Action, in accordance with the terms set out below, this Settlement being intended to fully and finally resolve all claims relating directly or indirectly to this Class Action;

WHEREAS, the Parties are of the opinion that this Settlement is fair and reasonable and that it is in the best interests of the Class Members;

WHEREAS, this Settlement is entered into solely to avoid the inconveniences and the costs associated with a trial and an appeal;

WHEREAS, this Settlement or its approval by the Court shall not constitute an admission of fault or liability or of the existence of damages of any kind by the Defendant;

NOW, THEREFORE, subject to the approval of this Settlement by the Court, in consideration of the undertakings, agreements and releases set forth herein and for the purpose of being legally bound, the Parties agree as follows:

1. INTERPRETATION

- 1.1. **"30-day Deactivation Notice"** refers to the contractual requirement that customers inform the Defendant thirty (30) days in advance of their intention to cancel their services;
- 1.2. **"Administration Costs"** refers to the maximum amount of \$114,713.25, plus taxes, which represents a maximum total amount of **\$131,891.56**, or such other amount as may be determined by the Court, which includes all fees, disbursements, expenses, costs, taxes and any other amounts incurred by, payable by, or owed to the Claims Administrator, for the implementation and execution of the Settlement;
- 1.3. **"Approval Hearing"** means the hearing to be held by the Court to approve the Settlement pursuant to article 590 of the Quebec *Code of Civil Procedure*;

- 1.4. **"Approval Judgment"** means the judgment approving the Settlement;
- 1.5. **"Balance"** refers to the Settlement Amount, minus the Class Counsel Fees, the Disbursements, the Administration Costs and the Distribution Costs (including the notice costs);
- 1.6. **"Class Action"** refers to the class action brought against the Defendant before the Superior Court of Quebec in this matter bearing the number 500-06-000773-156, as well as all pleadings and documents filed or communicated by the Parties;
- 1.7. **"Claims Administrator"** refers to the entity 9258-5405 Québec inc., also operating under the name Velvet Payments, which will administer and distribute the Settlement Amount as provided in the Settlement;
- 1.8. **"Class Counsel"** refers to the law firms Cabinet BG Avocat Inc. and BGA Inc.;
- 1.9. **"Class Counsel Fees"** means an amount representing not more than 30% of the Settlement Amount, plus taxes, which represents the total amount of **\$344 929.00** or such other amount as may be determined by the Court, including any amount that must be reimbursed to the *Fonds d'aide aux actions collectives* by Class Counsel in relation to the present Class Action, the whole subject to supporting evidence and to the Court's approval;
- 1.10. **"Class Members"** refers to all persons included in the group definition authorized by the Court of Appeal and reproduced in the recitals herein;
- 1.11. **"Class Members Entitled to an Amount"** refers to Class Members who:
 - a) Entered into a residential (consumer) contract with the Defendant for Internet or television services before June 30, 2010; and
 - b) Paid Early Termination Fees between February 1, 2010 and June 30, 2013.
- 1.12. **"Class Members Not Entitled to an Amount"** refers to Class Members who do not fit the definition of "Class Members Entitled to an Amount", including Class Members who paid their monthly recurring charges during the 30-day Deactivation Notice period;
- 1.13. **"Court"** refers to the Superior Court of Quebec;
- 1.14. **"Defendant"** refers to Bell Canada;
- 1.15. **"Disbursements"** refers to the amount determined by the Court, to be paid out of the Settlement Amount to Class Counsel as compensation for their expenses and disbursements, including any amount that must be reimbursed to the *Fonds d'aide aux actions collectives* by Class Counsel in relation to the present Class Action, the whole subject to supporting evidence and to the Court's approval;

- 1.16. "**Distribution Costs**" means any and all amounts, disbursements, expenses, costs, and taxes incurred by, payable by, or owing to the Claims Administrator in connection with the mailing of amounts due to Class Members Entitled to an Amount in accordance with the terms of the Settlement;
- 1.17. "**Early Termination Fees**" refers to the fees paid by Class Members who were in a fixed-term contract with the Defendant and terminated the contract before the end of its term;
- 1.18. "**Effective Date**" means thirty (30) days after the date on which the Approval Judgment is no longer subject to appeal and becomes a final judgment, thereby being *res judicata*;
- 1.19. "**Last Known Address**" means the address that the Defendant has on file or as updated by the Class Member with the Claims Administrator;
- 1.20. "**Notice to Members**" means the notice to inform Class Members of the Approval Hearing, of the main terms of the Settlement, and of their right to object to the Settlement, as set out in Appendix A hereto;
- 1.21. "**Parties**" refers to the Plaintiffs and the Defendant;
- 1.22. "**Plaintiffs**" refers to Jean-Luc Corbeil and Marc-André Pilon;
- 1.23. "**Settlement Amount**" means a total amount of one million dollars (\$1,000,000.00);
- 1.24. "**Settlement**" means this transaction, including the appendices;
- 1.25. "**Transfer Date**" means thirty (30) days after the Effective Date;

2. THE SETTLEMENT

- 2.1. The recitals and definitions contained in Section 1 are an integral part of the Settlement.
- 2.2. The Defendant denies the claims and main facts alleged in the *Originating Application for a Class Action*, including any allegations of fault or liability arising from the conduct, statements, acts or omissions set forth in the Application.
- 2.3. The Settlement (or anything contained therein) does not, cannot, and shall not in any way be deemed to constitute an admission or acknowledgement of any wrongdoing or liability on the part of the Defendant, such wrongdoing and/or liability being expressly denied.

Settlement Amount

- 2.4. The Parties agree that payment of the Settlement Amount by the Defendant shall settle definitively all claims by the Plaintiffs and the Class Members relating directly or indirectly to, or that may relate to, the facts alleged or that could have been

alleged in the Class Action, including Class Counsel Fees, Disbursements, the publication and sending costs for the Notice to Members, the Administration Costs, the Distribution Costs, the court costs, and the applicable taxes.

Right of Class Members to object to the Settlement

- 2.5. Class Members may comment on or object to the Settlement as provided for in the Objection Form, as set out in Appendix B hereto.

Distribution of the Settlement Amount

- 2.6. The Parties agree that the Settlement provides for the collective recovery of claims alleged by the Class Members.

- 2.7. Subject to the approval of the Court, the Settlement Amount will be remitted and distributed as follows:

(a) On the Transfer Date, the Defendant will remit the Settlement Amount in trust to the Claims Administrator for the sole purpose of liquidating the Settlement Amount as described below.

(b) Within ten (10) days of the Transfer Date, the Claims Administrator will pay the Administration Costs, Class Counsel Fees, and the Disbursements in the amount approved by the Court.

(c) Within thirty (30) days of the Transfer Date, the Claims Administrator will pay the Distribution Costs and distribute the Balance to emit a refund of \$35 (including applicable taxes) to Class Members Entitled to an Amount in the following manner:

a. A cheque will be sent by mail to their Last Known Address. If more than one Class Member Entitled to an Amount is named on the contract, the amount will be divided equally.

b. If Class Members Entitled to An Amount paid Early Termination Fees for both Internet and television services, they will receive double the refund amount, *i.e.* \$70 (including applicable taxes).

c. If Class Members Entitled to an Amount do not cash the cheque within 6 months of the date of the cheque, they will have waived their right to the amount and will not be entitled to any further amount or compensation.

d. Class Members Not Entitled to an Amount will not be entitled to any refund or other compensation.

(d) Within thirty (30) days of the deadline described at section 2.7(c)c of the Settlement, the Claims Administrator will distribute the remainder of the Balance (*reliquat*), if any, in the following order:

- a. Firstly, the Claims Administrator will pay the *Fonds d'aide aux actions collectives* a percentage of the remainder of the Balance as determined by section 1(1) of the *Regulation respecting the percentage withheld by the Fonds d'aide aux actions collectives*, CQLR c. F-3.2.0.1.1, r. 2, and article 596 of the *Quebec Code of Civil Procedure*.
- b. Secondly, the Claims Administrator will pay the remainder of the Balance to a charitable organization to be agreed upon by the Parties.

Accounting

- 2.8. Within sixty (60) days of the distribution of the remainder of the Balance as described in section 2.7(d) of the Settlement, the Claims Administrator shall file with the Court a report of its distribution of the Settlement Amount.

Closing Judgment

- 2.9. Within thirty (30) days of the filing of the Claims Administrator's report of its distribution of the Settlement Amount, the Parties shall request the Court to issue a closing judgment.

Condition

- 2.10. The Settlement is conditional upon its approval by the Court, failing which it shall be deemed null and void and the Parties and Class Members shall then be returned to the state in which they were prior to the signing of the Settlement.

Approval of the Settlement

- 2.11. The Approval Hearing will be held on February 10, 2023 or on any other date set by the Court.

Class Counsel Fees and other costs

- 2.12. Class Counsel will not claim any other fees, disbursements or expenses from anyone in relation to the Class Action, except for the Class Counsel Fees and the Disbursements.
- 2.13. If the Court does not approve in full the Class Counsel Fees, the Disbursements, the Administration Costs, or the Distribution Costs, the difference between the requested amounts and those approved by the Court will be added to the Balance.
- 2.14. The Parties declare that the Class Counsel Fees have not been negotiated as part of the Settlement, that the Settlement is not contingent upon the award of Class Counsel Fees and that no agreement exists between the Parties or their counsel regarding the Class Counsel Fees, except for the fact that the Class Counsel Fees, Disbursements, and applicable taxes shall be deducted from the Settlement Amount.

3. RELEASE

- 3.1. In consideration of the Settlement, the Plaintiffs and the Class Members, on their own behalf and on behalf of their heirs, directors, predecessors, successors, assignees, beneficiaries and successors in title, give full and final release to the Defendant, its predecessors, representatives, parent companies, affiliates, member companies, subsidiaries and/or other related companies (including but not limited to BCE Inc. Bell ExpressVu Inc. and Bell ExpressVu LP), officers, directors, employees, shareholders, agents, mandataries, sales representatives, successors, assignees, beneficiaries and successors in title, attorneys, insurers, with respect to any past, present or future claim (including any cause of action, action, mode of action) and any event arising, directly or indirectly from the facts alleged in the Class Action.
- 3.2. The Parties declare that they understand the meaning of this release and/or any relevant legislation relating to restrictions on releases. In this respect, the Parties declare that they have benefited from the advice of their respective lawyers.

4. MISCELLANEOUS PROVISIONS

- 4.1. The Settlement reflects the entire agreement between the Parties and replaces all previous agreements between them, if any. The Parties declare and confirm that no declaration, including an oral declaration, has been made that is not contained in the Settlement. The Parties also agree that the Settlement may only be amended by a written instrument signed by all signatories of this Settlement and submitted to the Court for approval and that such amendment shall only take effect if the Court issues a final judgment approving it.
- 4.2. This Settlement constitutes a transaction within the meaning of article 2631 of the *Civil Code of Québec* and article 590 of the *Quebec Code of Civil Procedure*.
- 4.3. The Settlement is without admission of liability of any kind whatsoever.
- 4.4. The Notice to Members shall be the only notice with respect to the Settlement and, notwithstanding article 591 of the *Quebec Code of Civil Procedure*, no other notice shall be published or disseminated to Class Members following the Approval Judgment or closing judgment.
 - (a) The Notice to Members will be published for one day, on a Saturday, in The Gazette, La Presse and Le Soleil de Québec in 1/8-page format (maximum) or its digital equivalent, and in le Journal de Montréal in 1/4-page format (maximum) or its digital equivalent.
 - (b) The Notice to Members will also be sent by email to the Class Members Entitled to an Amount, when such email address is available.
 - (c) The Notice to Members will be published on Class Counsel's website.

(d) The Notice to Members will also be published on the Claims Administrator’s website for the Settlement.

- 4.5. The Court retains jurisdiction over the Class Action and any dispute relating to the Settlement, including any dispute relating to its interpretation.
- 4.6. The Parties and their counsel agree that they (or the Claims Administrator) will not prepare any press release, convene any press conference, or otherwise publicly advertise or comment on the Settlement, except to refer the media or any other third party to the Settlement (if need be).
- 4.7. The Settlement and all of the provisions contained therein, together with all negotiations and proceedings relating thereto and any related documents or actions taken to implement the Settlement, may not be designated as or introduced into evidence in any pending or future civil, penal, criminal, regulatory or administrative proceeding against the releasees mentioned at section 3.1.

Notwithstanding the foregoing, the Settlement may be designated as or introduced into evidence in any proceeding for the approval or enforcement of the Settlement, for the purpose of defending against an application regarding released claims or as required by law.

- 4.8. Any communication with respect to the implementation and execution of the Settlement must be made in writing, either by mail, courier or email, or by phone to Class Counsel.
- 4.9. The Settlement is signed in seven (7) copies, each of which is an original.
- 4.10. Any dollar amount stated in the Settlement is in Canadian currency.
- 4.11. The Settlement is governed by the law in force in Quebec.

IN WITNESS WHEREOF, the Parties and their counsel have signed the Settlement:

Signed in _____, on _____ 2022

Signed in _____, on _____ 2022

Jean-Luc Corbeil

Marc-André Pilon

Signed in _____, on _____ 2022

Signed in _____, on _____ 2022

BGA Inc.

Cabinet BG Avocat Inc.

Signed in _____, on _____ 2022

Signed in _____, on _____ 2022

Audren Rolland LLP

Bell Canada
Melanie Schweizer,
SVP Legal and General Counsel

APPENDIX A

NOTICE OF CLASS ACTION SETTLEMENT

Jean-Luc Corbeil and Marc-André Pilon v. Bell Canada
(500-06-000773-156)

Please be advised that a settlement has been reached between the Plaintiffs Jean-Luc Corbeil and Marc-André Pilon and the Defendant Bell Canada in a class action regarding cancellation and/or early termination fees paid between February 1, 2010 and June 30, 2013.

The Superior Court will hold a hearing to approve the settlement on **February 10, 2023 at 9:30 am in room X of the Montréal Court house** located at 1 Notre-Dame Street East, Montréal, Quebec, H2Y 1B6, or via TEAMS. You can attend the hearing by simply showing up, but you are not obligated to. The date and time of the hearing may be subject to modification by the Court without further notice to the class members, other than a copy of the notice which will be posted on class counsel's website <https://bga-law.com/>

What is the subject of this class action?

The Plaintiffs allege that the cancellation and/or termination fees charged by Bell Canada were abusive and illegal. Bell Canada denies any wrongdoing or liability in this matter.

Who are the class members?

All natural and legal persons with less than fifty (50) employees, domiciled or having been domiciled in Quebec, and having paid between February 1, 2010 and June 30, 2013 cancellation and/or termination fees to Bell Canada (or Bell ExpressVu LP) pursuant to a contract entered into before June 30, 2010 and concerning an Internet access and/or television service.

What does the settlement provide for?

Without admission of any kind and for the sole purpose of avoiding a lengthy trial and putting an end to this litigation, Bell Canada will pay \$1,000,000 (including taxes).

The class members entitled to an amount will receive a \$35 refund (including taxes), after deduction of class counsel fees (\$300,000 plus taxes) and other costs and expenses, including those related to the administration of the settlement, subject to Court approval.

If the class members entitled to an amount paid early termination fees for both Internet *and* television services, they will receive double the refund amount, *i.e.* \$70 (including taxes).

Who will receive money?

In order to receive the \$35 or \$70 refund, you have to have:

- a) Entered into a residential (consumer) contract with Bell Canada or Bell ExpressVu LP for Internet or television services before June 30, 2010; AND

APPENDIX A

- b) Paid early termination (or cancellation) fees between February 1, 2010 and June 30, 2013.

Class members who do not meet the above criteria, including class members who failed to give notice to Bell Canada ou Bell ExpressVu LP 30 days before cancelling their services, are not entitled to any money.

A cheque will be sent by mail to the address appearing in Bell Canada's files or to the address as updated by the class member. If more than one class member is named on the contract, the amount of \$35 or \$70 will be divided equally.

If you no longer live at this address, you must update your address no later than [date] by contacting Velvet Payments or visiting their website.

Class members who do not cash the cheque within 6 months of the date of the cheque will have waived their right to this amount and will not be entitled to any further amount or compensation.

Objection to the settlement

If you wish to object to the settlement, you can attend the hearing on **February 10, 2023 at 9:30am in room X of the Montréal Court house** located at 1 Notre-Dame Street East, Montréal, Quebec, H2Y 1B6, or via TEAMS, to explain why you disagree with the settlement.

Although not mandatory, you should complete the objection form and send it to Mtre Benoît Gamache of Cabinet BG Avocat Inc. or Mtre David Bourgoïn of BGA Inc. no later than **February 6, 2023**. You can object without being represented by a lawyer. If you wish, you may also be represented by a lawyer at your own expense.

To obtain more information

Do not contact Bell Canada. For more information or to obtain the full text of the settlement and the objection form, contact either:

Cabinet BG Avocat Inc.
c/o Mtre Benoît Gamache
6090, Jarry est, suite B-4
Montréal (Qc) H1P 1V9
info@cabinetbg.ca
1-866-327-0123

OR

BGA Inc.
c/o Mtre David Bourgoïn
67, Sainte-Ursule
Québec (Québec) G1R 4E7
info@bga-law.com
1-866-523-4222

In the event of any discrepancy between the content of this notice and that of the settlement, the text of the settlement will prevail. The publication of this notice was approved by the Court.

FORM TO STATE YOUR REASONS TO OBJECT (optional)

Jean-Luc Corbeil and Marc-André Pilon v. Bell Canada
(500-06-000773-156)

Please use this form only if you wish to object to the settlement.

Personal information:

Name:	Telephone number:
Current address (civic number, street, apartment, city, province and postal code):	
Bell Account Number (BAN) or Bell ExpressVu Account Number:	

REASONS WHY YOU OBJECT (Please attach an additional page if this space is insufficient)

Signature:	Date: (dd/mm/yyyy)
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You must send this duly completed form, by mail or email, to class counsel no later than February 6, 2023:

Cabinet BG Avocat Inc.
c/o Mtre Benoît Gamache
6090, Jarry est, suite B-4
Montréal (Qc) H1P 1V9
info@cabinetbg.ca
1-866-327-0123

OR

BGA Inc.
c/o Mtre David Bourgoïn
67, Sainte-Ursule
Québec (Québec) G1R 4E7
info@bga-law.com
1-866-523-4222