

QUEBEC AUDI PRIVACY CLASS ACTION

AUTHORIZATION AND PROPOSED SETTLEMENT NOTICE

Important Legal Notice of a Class Action Authorization and Proposed Settlement

If you were a former, current, or prospective Audi Canada customer before June 2021, and/or if you received notice from Audi Canada in or around June 2021 informing you that your personal information may have been compromised in a data incident, your rights may be affected by an authorized class action and proposed settlement.

(Sciscente v. Audi Canada Inc., 500-06-001152-210)

You do not have to do anything and you do not have to pay anything at all in order to participate in the Class Action and/or the proposed Settlement.

A class action was brought following an alleged data breach of personal information in relation to clients or potential clients of Audi Canada Inc. ("**Audi**") (the « **Incident** »). The data breach in question occurred at some point between August 2019 and May 2021 and Audi sent letters or emails to certain affected clients or prospective clients in or around June 2021.

The Class Action

A class action lawsuit was commenced in Quebec against Audi in furtherance to the Incident (the "**Class Action**").

By way of the Class Action, Plaintiff Sciscente is alleging that the personal and financial information of certain Audi customers or prospective clients was compromised.

The Class Action was authorized by the Superior Court of Quebec on August 1, 2022, on behalf of the following class:

All persons in Quebec:

- (i) *whose personal or financial information held by Audi Canada Inc. was compromised in a data breach which occurred on or before March 10, 2021, or*
- (ii) *who received an email or letter from Audi Canada Inc., dated on or about June 11, 2021, informing them of such data breach.*

The Proposed Settlement

Although Audi denies any wrongdoing or liability, a settlement was reached with the Plaintiff for the global resolution of all claims pertaining to the Class Action (the "**Settlement**"), subject to approval of the Superior Court of Quebec (the "**Court**"). To fully settle and release the Class Action and all claims related to the Incident, Audi has agreed to pay an amount of CAD \$240,000 into a Settlement fund, and agreed to also pay for all costs and expenses required to implement the Settlement.

The proposed Settlement provides for the following benefits for the Settlement Class Members (see below) in exchange for a full release of claims against Audi and other related entities:

- a) First, the reimbursement of out-of-pocket losses, costs, and/or unreimbursed expenses flowing from the Incident and/or from receipt of the Audi notice about the Incident, up to a maximum of CAD **\$5,000** per claimant;
- b) Second, and if fund remain, a cash payment of up to CAD **\$200** per claimant.

If the total dollar amount of the claims under the proposed Settlement exceeds the Settlement fund, the value of the claims to be paid to each beneficiary will be proportionally reduced.

If the proposed Settlement is approved by the Court, this will put an end to the Class Action, which will resolve all claims in relation to the Incident and entailing that no further claim could be brought in relation thereto.

Claiming your Compensation for Reimbursement of Out-of-Pocket Expenses or a Cash Payment

If the proposed Settlement is approved by the Court, further information about how to claim will be made available.

At such time, another notice intended to the Settlement Class Members will be published containing all the relevant information.

If you would like to receive direct notice of any distribution efforts, please register with the Settlement Administrator at <https://AudiPrivacySettlementQC.ca/>, or contact the Settlement Administrator the at the address below.

Authorization as Class Proceedings

Prior to the Settlement, the Court authorized the Class Action as class proceedings against Audi.

The main issues captured by the class action are the following:

- a) Did Audi Canada Inc. commit a fault regarding the storage and the safe-keeping of the personal information of the Class Members?
- b) Did Audi Canada Inc. commit a fault by delaying the notification to Class Members that a Data Breach had occurred?
- c) Did Audi Canada Inc. commit a fault due to the deficiencies of the notices given to Class Members about the Data Breach?
- d) Is Audi Canada Inc. liable to pay compensatory damages, moral damages or punitive damages to the Class Members, as a result? And if so, in what amounts?

The conclusions sought by way of the class action are the following:

CONDEMN Audi Canada Inc. to pay to the Class Members compensatory damages for all monetary losses and moral damages caused as a result of Audi Canada Inc.'s loss of Class Members' information, and ORDER collective recovery of these sums;

CONDEMN Audi Canada Inc. to pay to the Class Members punitive damages for the unlawful and intentional interference with their right to privacy and ORDER collective recovery of these sums;

THE WHOLE with interest and additional indemnity provided for in the Civil Code of Quebec and with full costs and expenses including experts' fees and publication fees to advise Class Members;

As the case may be, the refusal by the Court to approve the proposed Settlement will entail its termination and that of all the benefits to the Settlement Class Members and resume the litigation between the parties.

Who Are the Settlement Class Members?

You are a Settlement Class Member, if:

- (i) Your personal or financial information held by Audi Canada, Inc., was compromised in a data breach which occurred on or before March 10, 2021, and/or
- (ii) You received an email or letter from Audi Canada, Inc., dated on or about June 11, 2021, informing you of such a data breach.

All Settlement Class Members are affected by this notice.

Settlement Approval Hearing

A hearing to consider the approval of the Settlement, the benefits for the Settlement Class Members and the approval of Class Counsel Fees will be heard on May 1, 2025 before the Superior Court of Quebec in Montreal, either in person in room 15.04 , at 9:15 A.M., or by virtual conferencing at the following coordinates:

[Link to virtual hearing](#)

You do not have to attend the hearing but you may do so if you wish.

During the Settlement Approval Hearing, Class Counsel will seek from the Court the approval of Class Counsel Fees in the amount of CAD \$160,000, plus taxes. **You will not be asked to pay anything at any time.**

Anyone can attend the hearing, but if you wish to speak to the Court, please kindly advise beforehand Class Counsel and/or the Settlement Administrator at the address below.

If you wish to provide written comment on or objection to the proposed Settlement, you are invited to do so by delivering same to Class Counsel and/or the Settlement Administrator by writing at the address below. Comments or objections will be provided to the Court for consideration in whether to approve or reject the Settlement. You cannot object to or comment on the proposed Settlement if you choose to opt out (exclude yourself) of the Class Action (explained below).

Participating in the Settlement

If you qualify as a Settlement Class Member and wish to participate in the Settlement, you do not need to do anything at this time.

Opting Out of the Class Action (and proposed Settlement)

The deadline to opt out (exclude yourself) of the Class Action and proposed Settlement is April 30, 2025.

Should you wish to opt out of the class action, you must inform the registry of the Superior Court of Quebec for the District of Montreal by mail at 1, Notre-Dame Street East, Montréal (Quebec), H2Y 1B6 no later than on April 30, 2025, at 11:59 PM EASTERN. You may also inform the Settlement Administrator by writing at the address below.

Consequences of Opting Out

By opting out, you are choosing:

- 1) **not** to take part in the Settlement;
- 2) **not** to participate in any way in the Class Action, AND
- 3) **not** to participate in any benefits arising from the Settlement or the Class Action.

Settlement Class Members **who opt out** will not be bound by the Settlement or the releases in the Settlement, but will also not be entitled to share in any of the proceeds that may become available to Settlement Class Members as part of the Settlement (if approved by the Court). Settlement Class Members who opt out will also not be entitled to participate in the prosecution of the Class Action, as the case may be.

Settlement Class Members who **do not opt out** will be bound by the Settlement and the releases in it, and will be entitled to the benefits that may become available as a result of the Settlement.

There will be no further opportunity to opt out of the Settlement or the Class Action, regardless of whether the Settlement is approved by the Court or not.

* * *

The Class Members **cannot** be called upon to pay the legal costs of the class action if it is dismissed.

A Class Member may ask the Court to intervene in the Class Action. The Court will authorize the intervention if it is of the opinion that it is useful to the class.

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FOR MORE INFORMATION on the status of the approval hearing or on how to opt out of the Class Action, comment or object to the proposed Settlement, or to view the Settlement Agreement and a list of other definitions that apply to this Notice, visit the Settlement Website at <https://AudiPrivacySettlementQC.ca/>, which will be periodically updated with information on the Settlement approval process and the Class Action.

The lawyers advancing the Class Action are Lex Group Inc. and can be reached at:

Mtre. David Assor
LEX GROUP INC.

4101 Sherbrooke St. West
Westmount (Quebec) H3Z 1A7
Phone: 514 451-5500 (ext. 101)
Email: davidassor@lexgroup.ca

The Settlement Administrator is Concilia Services Inc. and can be reached at:

Concilia Services Inc.
1-5900 Andover Avenue
Montreal, Quebec, H4T 1H5
Phone: 1-888-770-6892
Email: AudiPrivacySettlementQC@conciliainc.com

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**The communication of this notice has been approved by the Superior Court of
Quebec.**