



Court File No.:

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Electronically issued : 07-Jul-2021
Délivré par voie électronique
Toronto
(Court only)

ALGA ADINA BONNICK

Plaintiff

- and -

CROWN CREST CAPITAL MANAGEMENT CORP., CROWN CREST FINANCIAL CORP.,
and LAWRENCE KRIMKER

Defendants

Proceeding under the *Class Proceedings Act, 1992*

STATEMENT OF CLAIM

TO THE DEFENDANTS:

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the Plaintiff. The claim made against you is set out in the following pages.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or an Ontario lawyer acting for you must prepare a Statement of Defence in Form 18A prescribed by the Rules of Civil Procedure, serve it on the Plaintiff's lawyer or, where the Plaintiff does not have a lawyer, serve it on the Plaintiff, and file it, with proof of service in this court office, WITHIN TWENTY DAYS after this Statement of Claim is served on you, if you are served in Ontario.

If you are served in another province or territory of Canada or in the United States of America, the period for serving and filing your Statement of Defence is forty days. If you are served outside Canada and the United States of America, the period is sixty days.

Instead of serving and filing a Statement of Defence, you may serve and file a Notice of Intent to Defend in Form 18B prescribed by the Rules of Civil Procedure. This will entitle you to ten more days within which to serve and file your Statement of Defence.

IF YOU FAIL TO DEFEND THIS PROCEEDING, JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO DEFEND THIS PROCEEDING BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

TAKE NOTICE: THIS ACTION WILL AUTOMATICALLY BE DISMISSED if it has not been set down for trial or terminated by any means within five years after the action was commenced unless otherwise ordered by the court.

Date: July 7, 2021

Issued by

Local Registrar

Address of
court office:

Superior Court of Justice
330 University Avenue, 7th Floor
Toronto ON M5G 1R7

TO: CROWN CREST CAPITAL MANAGEMENT CORP.
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Toronto, ON M2J 5C2

AND TO: CROWN CREST FINANCIAL CORP.
800-2225 Sheppard Ave. East
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AND TO: LAWRENCE KRIMKER
800-2225 Sheppard Ave. East
Toronto, ON M2J 5C2

A. RELIEF SOUGHT

1. The plaintiff, on her own behalf and on behalf of all class members, seeks:
 - (a) a declaration that the defendants' conduct particularized herein breached the *Consumer Protection Act, 2002*, SO 2002, c 30, Schedule A, and its Regulations, O Reg 17/05 and O Reg 8/18;
 - (b) a declaration that it is not in the interests of justice to require that notice be given pursuant to s. 18(15) or any other s. of the *Consumer Protection Act*, and waiving any such notice requirement;
 - (c) rescission, cancellation and/or a declaration that the subject consumer agreements with class members are unenforceable;
 - (d) general damages calculated on an aggregate basis or otherwise, for all payments the class members made to the defendants;
 - (e) special damages for out-of-pocket and inconvenience expenses incurred;
 - (f) punitive and exemplary damages in the amount of \$5,000,000;
 - (g) a declaration that the defendants were unjustly enriched at the expense of the plaintiff and the class members;
 - (h) relief from amounts that the defendants claim are owed or owing to the defendants by the plaintiff and the class members;
 - (i) an order under s. 160 of the *Land Titles Act* that all security interests that any of the defendants have registered on title to the plaintiff and the class members' real property be vacated and removed from title;
 - (j) disgorgement of the defendants' profits;
 - (k) a reference to decide any issues not decided at the trial of the common issues;
 - (l) costs of administration and notice, plus applicable taxes, pursuant to s. 26(9) of the

Class Proceedings Act;

- (m) costs of this action;
- (n) prejudgment interest compounded and post-judgement interest in accordance with ss. 128 and 129 of the *Courts of Justice Act*, RSO 1990, c C.43; and
- (o) such further and other relief as the parties may advise and this Honourable Court deems just.

B. THE PARTIES

The plaintiff

2. The plaintiff, Alga Adina Bonnick, is an individual living in Toronto. She is one of many Ontario residents who entered into consumer agreements for HVAC and HVAC-related Equipment (as that term is defined in paragraph 17 below) with suppliers financed by the defendants.

The defendants

3. The defendants Crown Crest Capital Management Corp and Crown Crest Financial Corp (collectively “**Crown Crest**”) are two related financial services corporations incorporated under Ontario’s *Business Corporations Act*, holding the same registered office located in Toronto, Ontario.

4. During the Class Period, Crown Crest has been in the business of financing suppliers who entered into HVAC and HVAC-related Equipment agreements with Ontario consumers including Ms. Bonnick and other class members.

5. Ontario’s Ministry of Government and Consumer Services has laid at least five charges

against Crown Crest for violating the *Consumer Protection Act* relating to the subject matter of this action.

6. The defendant Lawrence Krimker is an individual residing in Toronto, Ontario and is the Chief Executive Officer and Director of Crown Crest.

C. NATURE OF THE ACTION

7. This action concerns the defendants' breaches of the *Consumer Protection Act* to illegally benefit themselves at Ontario consumers' expense.

8. The *Consumer Protection Act* strictly regulates "direct agreements" and "leases" to protect consumers against predatory sales practices. Parts IV and VIII of the *Consumer Protection Act* and its regulations strictly regulate the form and content of such agreements and give consumers rights and protections against breaches of those requirements.

9. A "direct agreement" means a consumer agreement that is negotiated or concluded in person at a place other than at the supplier's place of business. A "lease" means a consumer agreement for the lease of goods.

10. The relevant suppliers in this instance are companies that seek to induce consumers—typically at consumers' homes—to enter into direct agreements and/or leases for HVAC and HVAC-related Equipment. The predatory practices of such companies were such that as of March 1, 2018, Ontario banned unsolicited, door-to-door sales of many HVAC and HVAC-related Equipment to protect consumers from the aggressive sales tactics exerted by these suppliers contracting with consumers, and the misleading agreements that these suppliers employed.

11. During the Class Period, Crown Crest created and maintained a common and uniform contractual program for financing suppliers who rented HVAC and HVAC-related Equipment to consumers (“**Financing Arrangement**”).

12. The Financing Arrangement operated as follows. Suppliers, often engaging in door-to-door sales, entered into program agreements with Crown Crest or one of its predecessors. Under these program agreements, Crown Crest would finance the suppliers’ sale of HVAC and HVAC-related Equipment, as defined below, to consumers under the following conditions:

- (a) Crown Crest dictated or approved the terms of the agreements that the suppliers signed with class members as defined in paragraph 17 below. (These agreements, together with consumer agreements of a similar nature formed outside the Financing Arrangement but that have been assigned to Crown Crest through any intermediary and where Crown Crest registered an interest in its favour against class members’ home title, are collectively referred to here as “**Consumer Agreements**”.)
- (b) The suppliers could only change the Consumer Agreements with Crown Crest’s approval.
- (c) The Consumer Agreements commonly and uniformly included a provision in fine print giving the supplier the right to register a security interest against the class member and on title to their home, barring class members from selling, mortgaging or otherwise dealing with their property without first obtaining the supplier’s consent or the discharge of the security interest from title.
- (d) The Consumer Agreements also commonly and uniformly included a provision in fine print that the supplier may assign the Consumer Agreements to any person at the supplier’s sole discretion at any time, without the class member’s consent or notice to them.
- (e) Crown Crest would directly vet each class member that any of the suppliers targeted before the supplier signed a Consumer Agreement with the class member.
- (f) If Crown Crest was satisfied of the class member’s credit and particularly of the ownership

of their home, Crown Crest would accept that consumer class member, whereupon the supplier would have the class member sign the Consumer Agreement.

(g) The supplier would then assign the Consumer Agreement to Crown Crest.

(h) In return, Crown Crest provided financing to the supplier for the purchase and installation of the equipment, and other start-up expenses.

(i) Using the powers allotted to it in the Consumer Agreement, Crown Crest would then register a security interest in an exorbitant and disproportionate amount against the title to the class member's home.

13. At no point during this process would Crown Crest, its predecessors or the supplier disclose to the consumer the total amount payable by that consumer under the Consumer Agreement—the total amount being the amount that Crown Crest would later register against the consumer's home title and eventually extract from them.

14. Similarly, in instances where Crown Crest obtained assignments of Consumer Contracts from intermediary companies outside Crown Crest's Financing Arrangement, the final amounts that Crown Crest itself registered on title to the class members' homes were not disclosed to the class members in compliance with the *Consumer Protection Act*, as particularized below.

15. Class members only become aware of the existence of the security interest registered by Crown Crest on their homes and the amount that Crown Crest had registered if and when the class members obtained a title abstract or if they have to sell or remortgage their home.

16. In exchange for removing the charge from title, Crown Crest extracts from consumers amounts grossly exceeding the price at which similar HVAC and HVAC-related Equipment are readily available to like consumers.

The Class

17. The plaintiff seeks to represent the following class, of which she is a member:

All individuals in Ontario who:

(a) are or were at any time party to a consumer agreement for HVAC or HVAC-related Equipment* with any person who directly or indirectly assigned that consumer agreement to Crown Crest between August 3, 2016 and the date of certification of this action or any other date that the Court deems appropriate (“**Class Period**”); and

(b) against whose property Crown Crest registered a security interest on title.

*“**HVAC or HVAC-related Equipment**” means furnaces, air conditioners, air purifiers, water heaters, water softeners, water purifiers, water treatment systems, water filters, boilers, air cleaners, humidifiers, chimney liners, duct cleaning services, filters, thermostats and other equipment or services offered under the rental contracts, or bundles of these goods and services.

The plaintiff’s experience

18. Ms. Bonnicks is 70 years old. After a life of hard work, she was able to buy her home—a small bungalow in Scarborough—in 2006. She works as a cleaner despite her advanced age, and chronic health issues.

19. On or about July 22, 2017, a person identifying himself as Noor Ullah attended at Ms. Bonnicks’s home.

20. Mr. Ullah told Ms. Bonnicks that he worked for “Enercare” and that he was sent to her home to inspect her Enercare furnace. In reality, Mr. Ullah was not an employee of Enercare, but a sales representative for MGA Home Services (“**MGA**”), a door-to-door supplier and an affiliated corporate entity of Crown Crest.

21. Mr. Ullah also told Ms. Bonnicks that he was at her home to install a water softener, carbon

filter, and air cleaner and that she would not be charged for these items.

22. At Mr. Ullah's request, Ms. Bonnick signed a document that was purported to be an agreement. However, Mr. Ullah refused to give her a copy of the document.

23. The following day, an unidentified person attended to install equipment. During the installation, a real Enercare representative was coincidentally at Ms. Bonnick's home fixing her air conditioner.

24. The Enercare representative asked Ms. Bonnick who was installing the air cleaner. Ms. Bonnick told him that it was another person from Enercare.

25. The Enercare representative told her that the person installing the air cleaner was not an Enercare employee. This was the first time that Ms. Bonnick realized she was not dealing with Enercare.

26. Ms. Bonnick immediately requested that the other person stop working. At this point, the air cleaner was already installed. This was the only product that was installed at this time.

27. Shortly after, Ms. Bonnick contacted Shaheem Khalid at MGA by phone to cancel the purported agreement and to request the removal of the equipment from her home.

28. Mr. Khalid confirmed the cancellation. However, he told her that she would still owe \$1,300.00.

29. Ms. Bonnick told him that she could not afford \$1,300.00. He suggested that she ask a friend for the money, and he told her there was a law that required her to pay.

30. Several days later, Mr. Khalid attended at Ms. Bonnick's home. This time he demanded

that she pay \$1,500.00. She asked why the price went up. He told her that interest had been added to the original amount he quoted on the phone.

31. Mr. Khalid suggested that instead of paying the \$1,500 fee to cancel, Ms. Bonnicks could pay \$20.00 per month for two years. She was told she could keep the air filter that was installed, and he would install a water softener. She was told that she would have no further obligations to MGA, at the end of the two years.

32. Mr. Khalid provided Ms. Bonnicks with a hand-written note that mentioned the \$20.00 monthly fee and two-year term. He never gave Ms. Bonnicks a copy of any agreement.

33. Several days later, a technician attended Ms. Bonnicks's home and installed a water softener.

34. In or around November 2017, Ms. Bonnicks discovered that Crown Crest was billing her \$88.14 monthly for two water softeners and an air cleaner.

35. Ms. Bonnicks had never received two water softeners.

36. Ms. Bonnicks disputed the Crown Crest charge on her bill with Enercare. Enercare removed the charges from her Enercare bill.

37. Over the next several months, Ms. Bonnicks made several requests to Crown Crest to cancel any and all agreements she may have allegedly had. However, Crown Crest has continued to demand payment and threaten with collections and enforcement.

38. Despite making repeated requests to MGA and Crown Crest, Ms. Bonnicks has never received a copy of her signed original agreement(s) in violation of the *Consumer Protection Act*

and its regulations.

39. On April 3, 2018, Crown Crest registered a security interest on title of Ms. Bonnick's home in the amount of \$14,448.00.

40. The agreement(s) that the supplier, MGA, had Ms. Bonnick sign, and subsequently assigned to Crown Crest was a Consumer Agreement.

41. The total amount payable by Ms. Bonnick under the Consumer Agreement was the amount of \$14,448.00 that Crown Crest subsequently registered on Ms. Bonnick's title.

42. At no point did any of the persons particularized above disclose to Ms. Bonnick the total amount payable by her under the Consumer Agreement. Crown Crest unilaterally decided the total amount and registered it on title to her home.

43. It is Crown Crest's common practice to register an unconscionable amount on title to the class members' properties and to keep class members in the dark about the total amount payable by them under the Consumer Agreements.

44. The equipment installed in Ms. Bonnick's house was of minimal value and turned out to be defective, causing damage and covering her home in mold. She had to pay someone to uninstall the equipment and move it to her backyard.

D. CAUSE OF ACTION

Breach of the Consumer Protection Act, 2002, and its Regulations

45. Crown Crest and the suppliers who entered into Consumer Agreements with Ms. Bonnick and other class members failed to comply with the *Consumer Protection Act*.

46. The suppliers are located in Ontario and are each a “supplier” for the purposes of the *Consumer Protection Act*.

47. Crown Crest is a successor party to the Consumer Agreements concluded by the suppliers who acted as its agents under the Financing Arrangement. Crown Crest administers the accounts into which customer payments are received, and registers and maintains a notice of security interest over class members’ homes. Crown Crest is jointly engaged with the suppliers in the business of renting HVAC or HVAC-related Equipment to the class.

48. Accordingly, Crown Crest is a “supplier” under the *Consumer Protection Act*.

49. Alternatively, Crown Crest is an assignee, and is liable under s. 18(13) of the *Consumer Protection Act*.

50. The class members’ Consumer Agreements assigned to Crown Crest are “consumer agreements” for the purposes of the *Consumer Protection Act*.

51. Ms. Bonnick and the other class members are “consumers” for the purposes of the *Consumer Protection Act*.

The Consumer Agreements breached direct agreement provisions

52. The Consumer Agreements were direct agreements as defined under the *Consumer Protection Act*.

53. Part IV of the *Consumer Protection Act* governs direct agreements. Section 42(1) of the *Consumer Protection Act* mandates that all direct agreements be made in accordance with requirements specified in regulations.

54. *Requirements for Direct Agreements Subject to Section 43.1 of Act, O Reg 8/18*, required throughout the Class Period that the supplier furnish the consumer with an agreement setting out certain material information, including, but not limited to, the total amount payable by the consumer under the agreement, and all security given by the consumer in respect of money payable under the agreement.

55. The amounts for which Crown Crest registered security interests against the titles to the homes of Ms. Bonnick and other class members constituted the total amount payable by the consumer under the Consumer Agreement.

56. The suppliers that assigned the subject Consumer Agreements to Crown Crest failed to disclose this information to Ms. Bonnick and other class members. The suppliers did not disclose these amounts to Ms. Bonnick and other class members when they were signing the Consumer Agreements because Crown Crest unilaterally determined the total amount of the security interest it registers on title to consumers' homes after the fact.

The Consumer Agreements breached leasing requirements

57. The Consumer Agreements failed to comply with the leasing requirements contained in Part VIII of the *Consumer Protection Act*. Specifically, s. 89(2) of the *Consumer Protection Act* requires a lessor to deliver a disclosure statement for the lease to the consumer, disclosing prescribed information.

58. *General Regulation, O Reg 17/05*, prescribed during the Class Period the information that must be disclosed to a consumer for a lease that is subject to Part VIII of the *Consumer Protection Act*. Section 74(2) requires the supplier to furnish the consumer with a disclosure statement setting

out certain material information, including, but not limited to, the total lease cost.

59. The above leasing provisions applied to the Consumer Agreements.

60. The amounts for which Crown Crest registered security interests against the titles to the homes of Ms. Bonnick and other class members constituted the total lease cost under the Consumer Agreement.

61. The Consumer Agreements that suppliers signed with Ms. Bonnick and other class members did not disclose, nor could they have disclosed, this information to Ms. Bonnick and other class members.

62. This information was material, required under the regulations, and it was not known until Crown Crest registered a security interest against title.

The Consumer Agreements constituted an unfair practice

63. Section 14 of the *Consumer Protection Act* prohibits unfair practices. Exaggeration, innuendo or ambiguity as to a material fact or failure to state a material fact if such failure deceives or tends to deceive a consumer constitutes an unfair practice.

64. Further, a consumer agreement where the price grossly exceeds the price at which similar goods or services are readily available to like consumers or where the terms of the consumer transaction are so adverse to the consumer as to be inequitable constitutes unfair practices contrary to s. 15 of the *Consumer Protection Act*.

65. Here, the Consumer Agreements' failure to disclose the material information particularized above to Ms. Bonnick and other class members constituted an unfair practice contrary to s. 14. The

grossly inflated amounts that Crown Crest commonly registered against title and grossly adverse unilateral terms of the Consumer Agreements render them unconscionable contrary to s. 15.

66. Ms. Bonnick's situation illustrates the grossly one-sided and improvident terms imposed by Crown Crest against unknowing, vulnerable consumers: even disregarding the misrepresentations of the supplier in this instance, for an air cleaner and a water softener (each valued at a few hundred dollars) Crown Crest has charged Ms. Bonnick's home title in the exorbitant amount of \$14,448, without any prior disclosure, breakdown of the cost, or opportunity for Ms. Bonnick to dispute this charge .

67. The impugned conduct breached ss. 14 and 15. The suppliers and Crown Crest knew, or ought to have known, the illegality under the *Consumer Protection Act*.

68. Crown Crest took advantage of the inability of Ms. Bonnick and other class members to reasonably protect their own interests because of the gross information asymmetry between the contracting parties and class members' ignorance or inability to realize the character and nature of the Financing Arrangement and Consumer Agreements.

69. Pursuant to s. 18(12) of the *Consumer Protection Act*, Crown Crest is jointly and severally liable with the suppliers to Ms. Bonnick and other class members for these unfair practices.

70. Alternatively, pursuant to s. 18(13) of the *Consumer Protection Act*, Crown Crest is liable as an assignee of the Consumer Agreements.

Slander of title

71. Crown Crest's conduct constituted slander of title.

72. Crown Crest registered false statements contrary to the *Consumer Protection Act* against Ms. Bonnick and other class members' home title.

73. Crown Crest's registration on title was intended to induce others not to deal with Ms. Bonnick and other class members unless the amounts registered were paid and the registration discharged.

74. Malice motivated Crown Crest's conduct: Crown Crest had an improper motive to injure Ms. Bonnick and other class members without just cause or excuse contrary to the *Consumer Protection Act*.

75. As a result of Crown Crest's conduct, Ms. Bonnick and other class members suffered monetary loss, including but not limited to, their inability to dispose of their property without first paying the illegal charges imposed by Crown Crest, receiving a lowered price for their homes because of the amounts charged by Crown Crest, paying higher interest rates when refinancing or obtaining a loan secured against their home title.

The corporate veil should be pierced

76. The legal principle that corporations are separate legal entities should be disregarded to hold Mr. Krimker personally liable for the wrongful conduct of Crown Crest.

77. Mr. Krimker is the directing mind of Crown Crest. He is the companies' founder, beneficial owner, CEO, president, and director. He exercises complete control over Crown Crest and its actions.

78. Mr. Krimker has had five charges laid against him pursuant to s. 116(3) of the *Consumer*

Protection Act, which holds an officer or director liable for a company's offence under the *Act* where that individual fails to take reasonable care to prevent the company from committing an offence.

79. This provision recognizes the significant role that directors and officers exercise in a corporation and their ability to make, authorize, condone, and encourage wrongful and improper conduct, such as the impugned conduct in this case.

80. Mr. Krimker's position as founder and CEO of Crown Crest and its affiliated companies has allowed him to incorporate multiple corporations through which he acts in order to attempt to evade liability while reaping the benefits at consumers' expense.

81. As the founder, beneficial owner, CEO, president, and director of Crown Crest and its affiliated companies, Mr. Krimker was instrumental in the development of the scheme of obtaining Consumer Agreements improperly entered into with Ms. Bonnick and other class members to register security interests in arbitrary amounts against the home titles of those consumers.

82. Mr. Krimker created Crown Crest to facilitate the practice of using Consumer Agreements to register security interests against the properties of consumers. The sole or primary purpose for incorporating Crown Crest was an improper activity contrary to the *Consumer Protection Act*.

83. Mr. Krimker used Crown Crest as a mere façade acting as his agent in carrying out the wrongful conduct particularized herein.

84. Further, Mr. Krimker engaged in unfair practices personally, knowing of the company's improper practices, yet continuing to authorize, and condone the use of illegal Consumer Agreements.

85. As the directing mind of Crown Crest, Mr. Krimker engaged in unfair practices in his capacity as a director and officer and is thus jointly and severally liable with Crown Crest pursuant to s. 18(12) of the *Consumer Protection Act*.

E. REMEDIES

86. As a result of the conduct pleaded above, Ms. Bonnicks and the other class members have suffered loss and damage in an amount to be determined at trial.

87. The Consumer Agreements were not made in accordance with the *Consumer Protection Act* and are not binding on Ms. Bonnicks and the other class members.

88. The Consumer Agreements resulted from unfair practices for which Ms. Bonnicks and other class members are entitled to remedies under s. 18.

89. Ms. Bonnicks and other class members are entitled to rescission of the Consumer Agreements.

90. Further, Ms. Bonnicks and the other class members seek their damages for, amongst other things, the amounts by which the class members' payment under the Consumer Agreements exceed the value that the goods or services have to the class members, the registration of undisclosed amounts on title, all amounts paid to remove the security interests from title, and all of their out of pocket and inconvenience damages.

91. It is in the interests of justice to waive any notice requirements under the *Consumer Protection Act*, particularly as the defendants and their affiliated suppliers concealed the actual state of affairs from the class members.

92. In the alternative to damages, Ms. Bonnick and the other class members claim the remedy of disgorgement of the profits generated by the defendants as a result of the wrongful conduct particularized herein.

93. Disgorgement is appropriate for the following reasons, among others:

- (a) the defendants made profits as a result of unfair practices contrary to the *Consumer Protection Act*;
- (b) the defendants made profits in such a manner that the defendants cannot in good conscience retain it;
- (c) The integrity of the marketplace would be undermined if the defendants were to profit from the wrongful conduct;
- (d) Absent the wrongful conduct, class members would not have entered into the Consumer Agreements, and the defendants would never have received profits arising from the Consumer Agreements; and
- (e) Disgorgement of profits retained by the defendants would serve a compensatory purpose.

Unjust enrichment

94. The defendants have been unjustly enriched to the extent that they have charged and retained unlawful fees, interest and other amounts under the Consumer Agreements.

95. The class members suffered a deprivation corresponding to the defendants' enrichment.

96. The Consumer Agreements being unenforceable, there is no juristic reason for the defendants' enrichment and the class members' corresponding deprivation.

97. Accordingly, the class members are entitled to restitution.

Punitive damages

98. Due to the egregious nature of the defendants' conduct, including, without limiting the generality of the foregoing, registering exorbitant undisclosed amounts on consumers' homes in order to obtain illegal profits at the expense of consumers, Ms. Bonnicks and the other class members are entitled to recover aggravated, punitive, and exemplary damages.

99. The wrongful conduct particularized here was willful, deliberate, high-handed, outrageous, callous and in contemptuous disregard of consumer rights and interests.

100. The defendants callously took advantage of consumers' vulnerabilities to trap consumers in a scheme that threatened to deprive them of their homes.

101. Further, Ms. Bonnicks and the other class members are entitled to punitive damages under the *Consumer Protection Act* and at common law to relieve the defendants of their wrongful profits made while flouting the law.

F. FRAUDULENT CONCEALMENT

102. The defendants willfully concealed the unlawfulness of the Consumer Agreements from Ms. Bonnicks and the class members. Ms. Bonnicks and the class members plead and rely on the doctrine of fraudulent concealment to assert that any applicable statute of limitation has been tolled by the defendants' knowledge, concealment and denial of facts which prevented the class from discovering their cause of action.

103. In addition, Ms. Bonnicks and the class members could not reasonably have known that

loss or damage had occurred, that it was caused or contributed to by acts of the defendants, or that a court proceeding would be an appropriate means to seek to remedy the injury until this action was filed.

104. Accordingly, Ms. Bonnick and the class members plead and rely on and the *Limitations Act, 2002*, SO 2002, c 24, Sched B, s. 5 and on the doctrines of postponement and discoverability to postpone the running of the limitation period until the date on which this action is commenced.

105. Ms. Bonnick and the other class members also plead and rely on the *Reopening Ontario (A Flexible Response to COVID-19) Act, 2020*, SO 2020, c 17, O Reg 73/20 to suspend the running of the limitation period from March 16, 2020, to September 13, 2020.

(Date of issue)

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-and-

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Defendants

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STATEMENT OF CLAIM

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