

**LONG-FORM NOTICE OF SETTLEMENT APPROVAL HEARING IN THE GTA
CONDOMINIUM CORPORATION CLASS ACTION**

TO: Condominium Corporations (“Condo Corporations”) in the GTA and surrounding areas that purchased refurbishment services between January 1, 2006 and May 31, 2022.

PLEASE READ THIS NOTICE CAREFULLY. IT MAY AFFECT YOUR CONDO CORPORATION'S LEGAL RIGHTS

I. WHAT IS A CLASS ACTION?

A class action is a lawsuit filed by one person on behalf of a group of people or corporations.

II. WHAT IS THIS CLASS ACTION ABOUT?

A class action lawsuit was commenced in the Federal Court of Canada on behalf of all condominium corporations that contracted for refurbishment services in the GTA and surrounding areas between January 1, 2006 and May 31, 2022.

Condominium refurbishment services means: “the provision of goods and services to repair, maintain and/or improve condominium common and/or shared facilities including but not limited to painting, flooring, designing, wall covering, tiling, caulking, carpentry, sealing, electrical, drywall, hardware, and plumbing” (“**Refurbishment Services**”)

The class action alleges that the Defendants conspired contrary to the *Competition Act* to illegally price-fix and rig bids for Refurbishment Services made to condo common elements and/or shared facilities. This caused condominium corporations to pay too much for the Refurbishment Services. The class action asks the Court to award losses and damages to the class as a result of the alleged conspiracy.

III. WHO ARE THE DEFENDANTS IN THE ACTION?

A copy of the latest version of the Statement of Claim, listing the named defendants, can be found here: <https://www.sotosclassactions.com/cases/condominium-corporations/>.

There have been no findings of liability, wrongdoing or fault by the Court in respect of any of the defendants.

IV. WHAT PROPOSED SETTLEMENT HAS BEEN REACHED IN THE CLASS ACTION?

A settlement is when the parties agree on terms that will resolve the litigation. This involves, among other things, a payment by the settling defendant for the benefit of class members and a release provided by class members in favour of the settling defendant.

CPL Interiors Ltd. (“CPL”) has agreed to settle for CAD\$555,000 in exchange for a full and final release of all claims against it relating to, among other things, the alleged bid-rigging of Refurbishment Services.

CPL has also agreed to provide information that plaintiffs may be able to use in the prosecution of the case against remaining defendants. The settlement is a compromise of disputed claims and CPL does not admit any liability, wrongdoing or fault.

No settlement funds will be distributed at this time and there is no need to make a claim at this time. The Court will be asked to approve an order that the settlement amount will be held in trust to pay for anticipated expert fees.

The CPL settlement is subject to court approval by the Federal Court of Canada. The hearing to decide whether to approve the settlement will take place at City of Toronto on September 21, 2022 at 10:00 a.m. by videoconference. At the hearing, the Court will decide whether the settlement is fair, reasonable, and in the best interests of the class.

A copy of the settlement agreement can be found here:

<https://www.sotosclassactions.com/cases/condominium-corporations/>.

V. WHO IS AFFECTED BY THE SETTLEMENT?

All condominium corporations in the GTA and surrounding areas that paid for Refurbishment Services between January 1, 2006 and May 31, 2022 are included in the class action and will be bound by the proposed settlement if it is approved by the Court.

VI. WHAT STEPS SHOULD OUR CONDO CORPORATION TAKE NOW?

If your condominium corporation wishes to be included in the class action, it does not need to take any steps. However, there are two steps that your corporation should take to protect its legal rights:

1. Please locate and preserve all records of any agreements or purchases for Refurbishment Services between January 1, 2006 and May 31, 2022. Records include agreements, invoices, receipts and bank statements.
2. Please locate and preserve any invoices for legal and administrative work related to responding to the Competition Bureau's production order that was served on roughly 140 condo corporations around May 2016.
3. Please register online at: <https://www.sotosclassactions.com/cases/condominium-corporations/> to receive periodic e-mail updates about this class proceeding.

Condominium corporations who do not oppose the proposed settlement do not need to appear at the settlement approval hearing or take any other action at this time.

VII. WHAT IF OUR CONDO CORPORATION WISHES TO OPPOSE THE SETTLEMENT OR FEE REQUEST?

Class members may choose to oppose the proposed settlement or to express concerns. If your corporation wishes to do so, it must e-mail your submissions to class counsel at torontocondo@sotos.ca no later than **August 2, 2022**. Your submissions must include the following:

1. Your full name, position, the name of the Condo Corporation, mailing address, telephone number and email address;
2. A brief statement of the nature or the reasons for objection;
3. Your signature or the signature of the legal agent confirming your corporation's instructions;
4. The name of the defendant or other person who provided Refurbishment Services to your Condo Corporation;
5. A copy of the contract for Refurbishment Services; and
6. A statement regarding whether your corporation intends to appear at the settlement approval hearing in person or by counsel.

Class counsel will forward all such submissions to the court. If you do not send a written submission by **August 2, 2022**, you will not be entitled to participate in the settlement approval hearing.

If your corporation wants to attend the hearing, please contact class counsel for additional details, including to discuss ways to have your corporation's objections or concerns heard by the Court.

VIII. WHAT IF OUR CORPORATION DOESN'T WANT TO BE IN THE CLASS ACTION?

Your condo corporation may also take steps to opt-out (i.e. exclude itself) from the class action. If your corporation would like to remove itself from the class action, your corporation must act by **August 2, 2022**. There will be no further opportunities to be excluded from this action.

Your condo corporation can opt-out by sending a signed letter to class counsel by mail, courier, fax or e-mail (torontocondo@sotos.ca) with the following information:

- the name, address and telephone number of the condominium corporation;
- the name, address and position of the person submitting the written election to opt-out on behalf of the corporation;
- a statement to the effect that the corporation has elected to be excluded from the proceeding;
- a brief explanation of the reason why the corporation is opting-out of the proceeding;
- the name of the defendant or other person who provided the Refurbishment Services;
- the date of the contract for Refurbishment Services;

- the total amount paid under the contract for Refurbishment Services; and
- a copy of the contract for Refurbishment Services.

Requests to opt-out of the proceeding must be received by or postmarked by **August 2, 2022**.

If your corporation excludes itself or opts-out, then your corporation:

- will not be eligible to participate in the ongoing class action, and
- will not receive any money from the class action, but
- will be able to start or continue its own case against the defendants regarding the claims at issue in the class action.

If your corporation does nothing, and does not exclude itself or opt-out, then your corporation:

- will be eligible to participate in the ongoing class action, and
- may receive money from the class action, but
- will not be able to start or continue its own case against the defendants regarding the claims at issue in the class action.

This is the only chance for corporations to exclude themselves or opt-out of the class action. No further right to opt-out will be provided.

IX. WHAT HAPPENS TO THE MONEY PAID UNDER THE SETTLEMENT?

No settlement funds will be distributed at this time and there is no need to make a claim at this time. The Court will be asked to approve an order that the settlement amount will be held in trust and disbursed to pay for anticipated expert fees. Any balance will be held in an interest-bearing trust account, subject to further order by the Court. Please also register online at <https://www.sotosclassactions.com/cases/condominium-corporations/> to ensure that you receive updates.

X. WHO ARE THE LAWYERS WORKING ON THE CLASS ACTION AND HOW ARE THEY PAID?

The law firms of Common Ground Condo Law and Sotos LLP and represent the class members.

Common Ground Law can be reached at:

Telephone: 416-467-5712

Email: chris@commongroundcondolaw.ca

Mail: 100 King Street West, Suite 5700, Toronto, Ontario, M5X 1C7, Attention: Christopher J. Jaglowitz

Sotos LLP can be reached at:

Telephone: 416-977-0007

Email: torontocondo@sotos.ca

Mail: 180 Dundas Street West, Suite 1200, Toronto, Ontario, M5G 1Z8, Attention: Karen Whibley

Class members do not have to pay any money to the lawyers working on the class action. The lawyers will be paid from the money collected in the class action. The lawyers are not requesting fees at this time. At a future date to be announced, the Federal Court will be asked to decide how much the lawyers will be paid. Any approved legal fees will be paid out of the settlement funds. At this time, Class counsel will ask the court to allow class counsel to use the settlement funds to pay for disbursements such as expert fees.

XI. HOW CAN I ASK MORE QUESTIONS?

For more information, please visit <https://www.sotosclassactions.com/cases/condominium-corporations/>

A copy of the Statement of Claim and Settlement Agreement are posted at that address. The page will be updated at a later date to include submissions to the Court regarding settlement approval and fee approval.

If you have any further questions, please e-mail torontocondo@sotos.ca.

To receive future notices and updates regarding the class action, please register online at: <https://www.sotosclassactions.com/cases/condominium-corporations/>

XII. INTERPRETATION

This notice contains a summary of some of the terms of the settlement agreement. If there is a conflict between the provisions of this notices and the settlement agreement, the terms of the settlement agreement shall prevail.