CLASS ACTION AGAINST MC COMMERCIAL INC. ET AL.

LOSSES TO PENSION PLAN #1 OF FORMER EMPLOYEES OF MABE CANADA OR MC COMMERCIAL

COURT FILE NO: 500-06-000882-171

PLEASE READ THIS NOTICE CAREFULLY.

On December 19, 2023, Justice Marie-Christine Hivon of the Quebec Superior Court authorized the filing of a class action against MC Commercial Inc. and its directors Francisco Berrondo and Luis Berrondo. The class action will be brought in the district of Montreal. The Court has designated Lise Collerette as representative plaintiff.

The class action concerns the Pension Plan #1 of former employees of Mabe Canada Inc (hereinafter "Mabe Canada") or MC Commercial. It seeks compensation for members for losses to their pension plan and benefits resulting from Mabe Canada's bankruptcy in 2014.

WHO IS COVERED BY THE CLASS ACTION?

The class is described as follows:

All former employees of Mabe Canada Inc. or MC Commercial Inc. participating in Pension Plan #1 and entitled to benefits.

WHAT IS THE CLASS ACTION SEEKING?

The class action essentially seeks to determine whether MC Commercial acted wrongfully in connection with the reorganization and the bankruptcy of Mabe Canada and whether MC Commercial should be held liable for losses to the pension and benefits plans of class members.

The issues to be determined by the Court in the class action are the following:

- 1. Did the defendants act in good faith towards the employees of MC Commercial and Mabe Canada in order to avoid causing them significant prejudice?
- 2. Did the defendants, through their symbiotic relationship with Mabe Canada, cause Mabe Canada's bankruptcy?
- 3. Did the defendants act prudently and diligently to avoid causing prejudice to the employees of Mabe Canada and MC Commercial?

- 4. Did the defendants act reasonably in order to prevent the employees of Mabe Canada and MC Commercial from losing their rights to their pension and benefits?
- 5. Did the defendants conduct their business and contract with Mabe Canada for purposes other than those publicly announced?
- 6. Did the defendants commit an extracontractual fault towards the class members by abusing their rights?
- 7. Have the defendants breached their duty of good faith under articles 6 and 7 of the *Civil Code of Québec*?
- 8. Are the plaintiff and the class members entitled to relief for abuse by the defendants under section 241 of the *Canada Business Corporations Act*?
- 9. Should damages be awarded to compensate class members for the harm they have suffered? If so, what is the appropriate amount?
- 10. Have the class members' fundamental rights, including the right to dignity and equality, been violated?
- 11. Should punitive damages be awarded to class members? If so, what is the appropriate amount?

Ms. Collerette asks the Court to find as follows in connection with these questions:

GRANT the plaintiff's action on behalf of all class members;

ORDER the defendants to pay the sum of \$67,520,538 as material damages to the class members, with interest from the date of service of the application for authorization to institute a class action, as well as the additional indemnity provided for in article 1619 of the *Civil Code of Québec* since September 2, 2014;

ORDER the defendants to pay the sum of \$1,000 as moral damages and the sum of \$1,000 as punitive damages to each class member, with interest from the date of service of the application for authorization to institute a class action, as well as the additional indemnity provided for in article 1619 of the *Civil Code of Québec* since September 2, 2014;

ORDER the collective recovery of the claims;

ORDER the liquidation of the class members' individual claims;

ORDER the defendants to pay to each class member, including the representative plaintiff, the amount of their individual claim, with interest from the date of service of the application for authorization to institute a class action and the additional indemnity provided for in article 1619 of the *Civil Code of Québec*;

THE WHOLE with costs, including the costs of notice, expert fees and administrator's fees, if applicable.

INCLUSION IN THE CLASS ACTION

If you are a member of the class described above, **you are automatically included in the class action** and you do not need to do anything at this time. Please note that as a member of the class, you will be bound by any judgments rendered in this case.

If you wish to opt out of the class action, you must notify the registry of the Superior Court of Quebec by letter sent to the following address:

Registry of the Superior Court of Quebec (C.S.M. 500-06-000882-171)

1 Notre-Dame Street East
Montréal (QC) H2Y 1B6

You have until January 30, 2025 to opt out of the class action. After that date, it will not be possible to opt out, except with permission from the Court.

Please note that if you have already instituted an individual lawsuit having the same subject matter as the class action, you will be deemed to have opted out of the class action if you do not discontinue your individual recourse before January 30, 2025.

You can also ask the Court for permission to intervene to assist the representative plaintiff and support her position. The Court will authorize the intervention if it is of the opinion that the intervention would be helpful to the class.

No class member other than the representative plaintiff or an intervenor may be required to pay legal costs arising from the class action.

FOR MORE INFORMATION

For more information on the class action and to consult the pleadings relevant to the case, you can visit the website of the Registry of Class Actions:

https://www.registredesactionscollectives.quebec/fr/Consulter/ApercuDem ande?NoDossier=500-06-000882-171

You can also contact the lawyers of the representative plaintiff using the following contact information:

Melançon Marceau Grenier Cohen s.e.n.c.

1717, boul. René-Levesque Est, bureau 300 Montréal (Québec) H2L 4T3 Tel: 514-525-3414 Fax: 514-525-2803

sbeauchamp@mmgc.quebec

THE PUBLICATION OF THIS NOTICE HAS BEEN APPROVED BY THE SUPERIOR COURT OF QUEBEC.