

**ANNEXE « A »
(LONG NOTICE)**

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL

SUPERIOR COURT
(Class Actions)

No : 500-06-000020-962

OPTION CONSOMMATEURS

-and-

No : 500-06-000029-963

ASSOCIATION POUR LA PROTECTION
AUTOMOBILE INC., also known as APA

PETITIONERS

-vs-

GARANTIE UNIVERSELLE (QUÉBEC) INC.
& ALS

RESPONDENTS

<p>NOTICE TO CLIENTS OF GARANTIE UNIVERSELLE (QUÉBEC) Ltée. CONCERNING A HEARING ON THE SETTLEMENT OF THE ABOVE CLASS ACTIONS</p>
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1. TO WHOM IS THIS NOTICE ADDRESSED ?

This notice is addressed to persons who are members of the following group :

*« All consumers who, since the 1st of March 1988, entered into a **contract of extended warranty** with **Garantie Universelle (Québec) Ltée**, concerning a motor vehicle, either new or used, or who are holders and beneficiaries of a contract of extended warranty still in force on the 18th of November 1993. »*

(hereinafter referred to as the "Group")

2. PURPOSE OF THE NOTICE :

On November 18, 1993, GARANTIE UNIVERSELLE (QUÉBEC) LTÉE (hereinafter referred to as "*Garantie universelle*" or "*the Company*") closed its doors and ceased to honour contracts of extended warranty which numerous consumers had bought from their new or used car dealers.

In 1996, Option Consommateurs and APA filed proceedings in order to obtain authorization to institute class actions against Garantie Universelle, against the actuary who was responsible for calculating the reserve funds held by Garantie Universelle and against the trustee and accountants of the Company (hereinafter referred to as the "*Class Actions*"). These proceedings were vigorously contested. However after negotiations and for the sole purpose of buying the peace, certain of the Respondents have offered to settle the two Class Actions instituted by Option Consommateurs and by the APA, pursuant to the closing of Garantie Universelle (Québec) Ltée the 18th of November 1993, at conditions which the Petitioners consider fair and reasonable considering all the circumstances (the whole hereinafter referred to as the "*Settlement*"). In accordance with the Law, this Settlement is valid only if the Court approves it, pursuant to notice to the members of the Group.

The purpose of the present notice is to inform the members of the Group that a hearing for the approval of the above Settlement will take place on the 2nd day of October 2006 at 9 h 15 in room 16.06 of the Court House in Montreal situated at 1, Notre-Dame Street East, Montreal. Members of the Group who do not wish to oppose the Settlement do not have to appear at the hearing.

3. WHAT DOES THE SETTLEMENT CONSIST OF?

In summary, the Settlement foresees the creation of a Settlement Fund in the amount of approximately \$ 575,000.00 to be used primarily for the indemnification of the members of the Group who shall have filed an admissible claim in conformity with the requirements of the Settlement the whole **at the latest on the 6th of March 2007.**

ATTENTION : no indemnity whatsoever shall be paid to the members of the Group whose claim has not been filed in conformity with paragraph 4 of the present notice at the very latest on the 6th of March 2007.

Claim for the reimbursement of repairs : The Settlement Fund will be used to pay claimants who had to pay for repairs carried out after the 18th of November 1993 and which were covered by their extended warranty contract and who can prove that the repairs were carried out and that the payment was made.

Claim for the reimbursement of unused premiums : Members of the Group whose extended warranty contract had not expired on the 18th of November 1993 but who did not carry out repairs covered by the extended warranty contract or who were unable to prove these repairs were carried out may claim a partial reimbursement of the value of unused premiums. These claims will be paid solely if a reasonable amount is left over in the Settlement Fund after the payment of admissible claims for repairs which were actually carried out.

The fees for the attorneys of the Group (which will not exceed 20% of the Settlement Fund), the costs of notices, of administration and the expenses thereof, shall be submitted for approval to the Court and shall be deducted from the Settlement Fund before the above indemnities are paid out.

4. **HOW TO CLAIM FOR AN INDEMNITY?**

You **MUST** fill in the Claim Form and send it to the Claims Administrator **at the very latest on the 6th of March 2007** failing which your claim will not be eligible and your rights to obtain an indemnity shall be permanently extinguished.

If you receive this notice by mail, the Claim Form will be attached. You may also obtain the Claim Form by downloading from one of the sites hereinafter set out or by getting in touch with Option Consommateurs or with the APA. Considering the delays for filing a claim, make sure that you obtain your Claim Form no later than February 6th, 2007.

Please read very carefully the instructions which are printed on the Claim Form.

5. **OPPOSING THE SETTLEMENT OR EXCLUDING YOURSELF FROM THE GROUP:**

If you do not agree with the Settlement, you may: 1) oppose the Settlement at the Superior Court hearing which will be heard on the 2nd day of October 2006 or 2) exclude yourself from the Group and from the Settlement in conformity with the procedures hereinafter set out.

Opposition procedure :

Members of the Group who wish to oppose the Settlement may make their representations by appearing personally at the aforementioned Court hearing (or by appearing through a lawyer) on the condition that they have previously sent a notice in writing stating the reasons for their opposition. The opposition notice must be in writing and must contain the following information :

- a)* the name, address and telephone number of the member who wishes to oppose the Settlement;
- b)* the number of the extended warranty contract and the description of the vehicle covered by the contract;
- c)* a statement to the effect that the person is a member of the Group described in the Settlement;
- d)* a brief explanation of the nature and the reasons for the opposition.

The opposition notice must be sent to the Group Attorneys and to the Claims Administrator at the addresses and fax numbers hereinafter set out **at the very latest on the 22th day of September 2006**. The post office mark will be proof of the time and date on which the opposition was posted.

Exclusion procedure :

If you do not agree with the Settlement, you may exclude yourself. If you exclude yourself you will receive no indemnity whatsoever. You may however, at your own costs, bring an individual action against the Respondents but you will not be allowed to invoke the existence of a settlement in your own individual procedures. Any member of the Group who wishes to exclude himself must write to the Claims Administrator (by registered mail) and mail the exclusion notice the whole at the latest on the 6th of October 2006.

The exclusion notice must be made in writing and must contain the following information :

- a)* the name, address and telephone number of the member who wishes to exclude himself;

- b) the number of the extended warranty contract and the description of the vehicle covered by the contract;
- c) an affirmation to the effect that he/she is a member of the Group described in the Settlement;
- d) a declaration to the effect that he/she wishes to exclude himself/herself from the Group, that he/she renounces to the Settlement and renounces to invoking the Settlement in any individual proceeding;

6. **NO FURTHER NOTICE :**

If the Court approves the Settlement, no further notice will be published nor sent to the members of the Group.

7. **INFORMATION, REQUESTS FOR FORMS, ETC.**

The Claim Form may be downloaded from one of the following web sites. If you wish to obtain the complete copy of the Settlement or for further information, you may address yourself, in writing, by e-mail, by mail or by fax to :

**ASSOCIATION POUR LA PROTECTION AUTOMOBILES INC. (APA)
GESTIONNAIRE DES RÉCLAMATIONS/CLAIMS ADMINISTRATOR**

292, Saint-Joseph Blvd. West

Montreal (Quebec) H2V 2N7

Telephone : (514) 272-5555 ♦ Fax : (514) 273-0797

E-mail : apamontreal@apa.ca ♦ Web site : www.apa.ca/

OPTION CONSOMMATEURS

2120, Sherbrooke Street, East – Suite # 604

Montreal (Quebec) H2K 1C3

Telephone: (514) 598-7288 ♦ Toll free : 1 888 412 1313

Fax : (514) 598-8511 ♦ E-mail : info@option-consommateurs.org

Web site : www.option-consommateurs.org/

The Attorneys of the Group :

UNTERBERG, LABELLE, LEBEAU, S.E.N.C.

1980, Sherbrooke Street West, Suite 700

Montreal (Quebec) H3H 1E8

Fax : (514) 937-6547 ♦ E-mail : contact@ullnet.com

Web site : www.ullnet.com

SYLVESTRE FAFARD PAINCHAUD

740, Atwater Avenue

Montreal (Quebec) H4C 2G9

Telephone : (514) 937-2881 ♦ Fax : (514) 937-6529

E-mail : info@sfpavocats.ca ♦ Web site : www.sfpavocats.ca

The publication of this notice has been approved by the Court