

CANADA

PROVINCE OF QUEBEC
DISTRICT OF MONTREAL

NO: 500-06-000080-263

(Class Action)
SUPERIOR COURT

A. JOHN

Plaintiff

-VS.-

MICROSOFT CORPORATION, legal person duly constituted, having its head office at One Microsoft Way, City of Redmond, State of Washington, 98052-6399, U.S.A.

and

MICROSOFT CANADA INC., legal person duly constituted, having its elected domicile at 6200-100 King Street West, 1 First Canadian Place, City of Toronto, Province of Ontario, M5X 1B8

Defendants

**APPLICATION TO AUTHORIZE THE BRINGING OF A CLASS ACTION & TO
APPOINT THE PLAINTIFF AS REPRESENTATIVE PLAINTIFF
(Art. 574 and following C.C.P.)**

TO ONE OF THE HONOURABLE JUSTICES OF THE SUPERIOR COURT,
SITTING IN AND FOR THE DISTRICT OF MONTREAL, YOUR PLAINTIFF
STATES AS FOLLOWS:

I. GENERAL PRESENTATION

A) The Action

1. The Plaintiff wishes to institute a class action on behalf of the following class, of which she is a member, namely:
 - All persons residing in Quebec who paid for a Microsoft 365 Personal or Family subscription that included Copilot, on or after

January 16, 2025, or any other group to be determined by the Court (the “Class” or the “Class Members”);

Alternatively, or as a subclass:

- All persons residing in Quebec whose Microsoft 365 Personal or Family subscription did not previously include Copilot and whose pre-existing subscription renewed on or after February 14, 2025 at a higher price with Copilot added (the “Existing Subscriber Subclass”);
2. Microsoft 365 (formerly Office 365) is a subscription service that Microsoft has sold since 2013 and that gives subscribers access, in exchange for a recurring monthly or annual fee, to Microsoft's productivity software applications, including Word, Excel, PowerPoint, OneNote and Outlook. Microsoft sells Microsoft 365 under its “Personal” and “Family” plans and reported 84 million subscribers worldwide as of January 2025 (Exhibit R-2 below), a number that grew to 89 million by the end of its 2025 fiscal year, the whole as appears more fully from a copy of an extract of Microsoft's FY25 Q4 Investor Relations earnings release, produced herein as **Exhibit R-1**;
 3. Copilot is what Microsoft describes as an “AI-powered digital assistant”, which according to Microsoft, can, among other things, draft and reword content, summarize email threads and create PowerPoint presentations from Word documents. Since January 2025, Microsoft has integrated Copilot into the Word, Excel, PowerPoint, Outlook and OneNote applications included in Microsoft 365 Personal and Family subscriptions, the whole as appears more fully from a copy of Microsoft's announcement entitled “Copilot is now included in Microsoft 365 Personal and Family” dated January 16, 2025, from a copy of the Microsoft announcement entitled “*Copilot est maintenant inclus dans Microsoft 365 Personnel et famille*” dated January 17, 2025, and from a copy of the Microsoft “Frequently asked questions about Copilot in Microsoft 365 subscriptions”, produced herein *en liasse* as **Exhibit R-2**;
 4. In January 2025, the Defendants added Copilot to the Microsoft 365 Personal and Family subscriptions sold in Canada, including in Quebec; however, existing subscribers did not “experience the price increase until their next renewal” (Exhibit R-2). At the same time, the Defendants increased the price of those subscriptions by approximately 32% to 46%:

Plan	Before 01/2025	After 01/2025	% Increase
Personal, Annual	\$79.00	\$115.00	45.6%
Personal, Monthly	\$8.00	\$11.50	43.8%

Family, Annual	\$109.00	\$145.00	33.0%
Family, Monthly	\$11.00	\$14.50	31.8%

The whole as appears more fully from copies of the Microsoft webpage at www.microsoft.com dated December 15, 2024, January 23, 2025, and October 5, 2026, produced herein *en liasse* as **Exhibit R-3**;

5. The Defendants told existing subscribers that they would have to pay the higher prices to maintain their Microsoft 365 subscriptions, and presented cancellation as the only alternative. In those communications, they did not tell subscribers that they could keep exactly the same Microsoft 365 services, without Copilot and at their previous prices, by switching to so-called “Classic” plans. Within subscribers’ Microsoft accounts, the Defendants presented the existence of the Classic plans only to subscribers who proceeded through the subscription cancellation process;
6. By reason of their representations and omissions, the Defendants induced the Class Members to pay for an artificial intelligence feature that they never requested and, for many of them, never wanted, in breach of *inter alia* the *Consumer Protection Act*, CQLR c P-40.1 (the “CPA”) and the *Civil Code of Québec* (the “C.C.Q.”), thereby causing the Plaintiff and the Class Members to suffer economic damages for which they are entitled to claim;
7. Microsoft has already admitted on November 6, 2025, in Australia and in New Zealand, that it “could have been clearer about the availability of a non-AI enabled offering with subscribers, not just to those who opted to cancel their subscription”, and has offered refunds to Australian and New Zealand subscribers. No such remedy has been offered to consumers in Quebec or in Canada, the whole as appears more fully from a copy of Microsoft’s statement entitled “An apology to our Microsoft 365 subscribers in Australia” dated November 6, 2025, published at www.news.microsoft.com, produced herein as **Exhibit R-4**;

B) The Defendants

8. Defendant Microsoft Corporation (“Microsoft USA”) is an American multinational technology company with its head office in Washington. Microsoft USA develops, markets and supplies Microsoft 365, including to consumers in Quebec;
9. Defendant Microsoft Canada Inc. (“Microsoft Canada”) is a Canadian corporation constituted under the laws of Nova Scotia, with its domicile in Halifax and three establishments in Quebec (two in Montreal and one in Quebec City). Microsoft Canada is the Canadian affiliate of Microsoft USA, and provides nationwide sales, marketing, consulting and support services

throughout Canada, including within the province of Quebec. It declares to the *Registraire des entreprises* that its activity is the “[c]ommercialisation et développement de logiciels, de matériel informatique et de produits Internet, soutien et services relatifs à ceux-ci”¹ and that it has between 500 and 749 employees in Quebec, the whole as appears more fully from a copy of an extract from the *Registraire des entreprises* for Microsoft Canada, produced herein as **Exhibit R-5**;

10. The Microsoft Store Terms of Sale, which apply to the “United States and Canada Consumer Store”, provide that the Microsoft Store is operated in Canada by Microsoft Canada, that references to “Microsoft” mean Microsoft Canada for customers located in Canada, and that the Terms of Sale govern the acquisition of Microsoft products and services through the Microsoft Store, including Microsoft 365, the whole as appears more fully from a copy of the Microsoft Store Terms of Sale updated June 2026 and of the version updated August 2022 as archived on January 22, 2025, produced herein *en liasse* as **Exhibit R-6**;
11. The Microsoft Services Agreement provides that it governs the use of Microsoft 365 Personal and Family subscriptions and that consumers in Canada contract with Microsoft USA for the provision of those services, including payment, recurring billing and cancellation, the whole as appears more fully from a copy of the Microsoft Services Agreement published July 30, 2026 and of the version published July 30, 2024 and effective September 30, 2024, produced herein *en liasse* as **Exhibit R-7**;
12. The Microsoft Services Agreement further provides that Microsoft “may change the price of the Services at any time” and that, where the consumer has a recurring purchase, Microsoft will notify the consumer “at least 15 days before the price change”, adding: “If you do not agree to the price change, you must cancel and stop using the Services before the price change takes effect”. It also provides that, for consumers who live in Canada, “[t]he laws of the province where you live [...] govern the interpretation of these Terms, claims for their breach, and all other claims (including consumer protection, unfair competition, and tort claims)” (Exhibit R-7);
13. The Defendants are both responsible for the supply, marketing, billing and renewal of Microsoft 365 Personal and Family subscriptions in Quebec. Given their close ties and the joint nature of their conduct, they are solidarily liable for the acts and omissions alleged herein (articles 1525 and 1526 C.C.Q.);

¹ English translation: It declares to the *Registraire des entreprises* that its business activities consist of the “marketing and development of software, computer hardware, and Internet products, as well as related support and services,” and that it has between 500 and 749 employees in Quebec.

14. The Defendants are collectively referred to as “Microsoft” except where their respective conduct is distinguished;

C) The Situation

I. The Price Increase and the Price Increase Representation

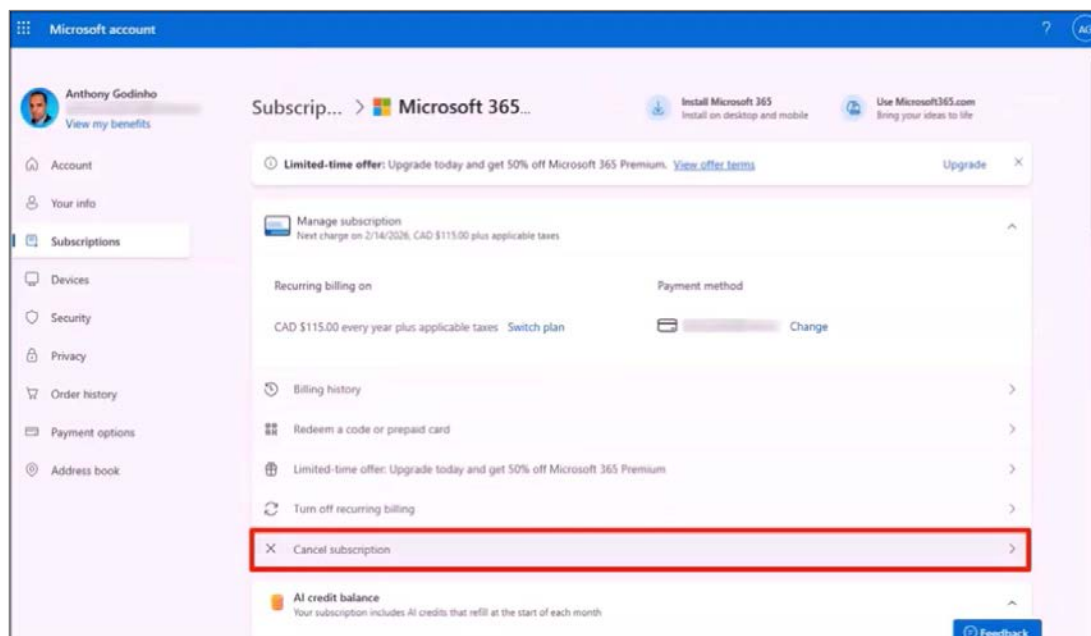
15. As indicated above in paragraph 4, before the addition of Copilot, the price of Microsoft 365 Personal in Canada was \$79 per year, if paid annually, or \$8 per month, if paid monthly, and the price of Microsoft 365 Family was \$109 per year, if paid annually, or \$11 per month, if paid monthly (the “Previous Plan Prices”);
16. Beginning on or about January 16, 2025, Microsoft increased the price of Microsoft 365 Personal to \$115 per year or \$11.50 per month, and the price of Microsoft 365 Family to \$145 per year or \$14.50 per month (the “Price Increase”). The Price Increase represents an additional \$36 per year, or \$3.50 per month, for each subscription;
17. Existing subscribers were charged the new prices on their next renewal date after January 16, 2025. New subscribers were charged the new prices on their first billing date. Microsoft stated that existing subscribers “will receive an email notice at least 30 days ahead of the renewal date” and that, because “[r]enewal dates for some annual subscribers extend into January 2026”, some of them “may not receive an email notice until December 2025” (Exhibit R-2);
18. Microsoft has itself attributed the growth of its consumer revenue to the Price Increase. In its earnings release for the fourth quarter of its fiscal year 2025, Microsoft reported that, for the fiscal year as a whole, Microsoft 365 Consumer products and cloud services revenue increased by US\$756 million or 11%, “driven by Microsoft 365 Consumer subscriber growth of 8% to 89.0 million, as well as growth in revenue per user from the price increase announced in January 2025” (Exhibit R-1);
19. Beginning on or around January 16, 2025, Microsoft emailed existing Microsoft 365 Personal and Family subscribers in Canada, including in Quebec, stating that, effective February 14, 2025, they would have to pay higher prices to maintain their subscriptions, that no action was needed to continue at the new price, that their payment method on file would be charged automatically, and that the only alternative was to cancel their subscriptions (the “Price Increase Representation”);
20. The Price Increase Representation did not mention that any other option was available;

II. The Hidden Classic Plans

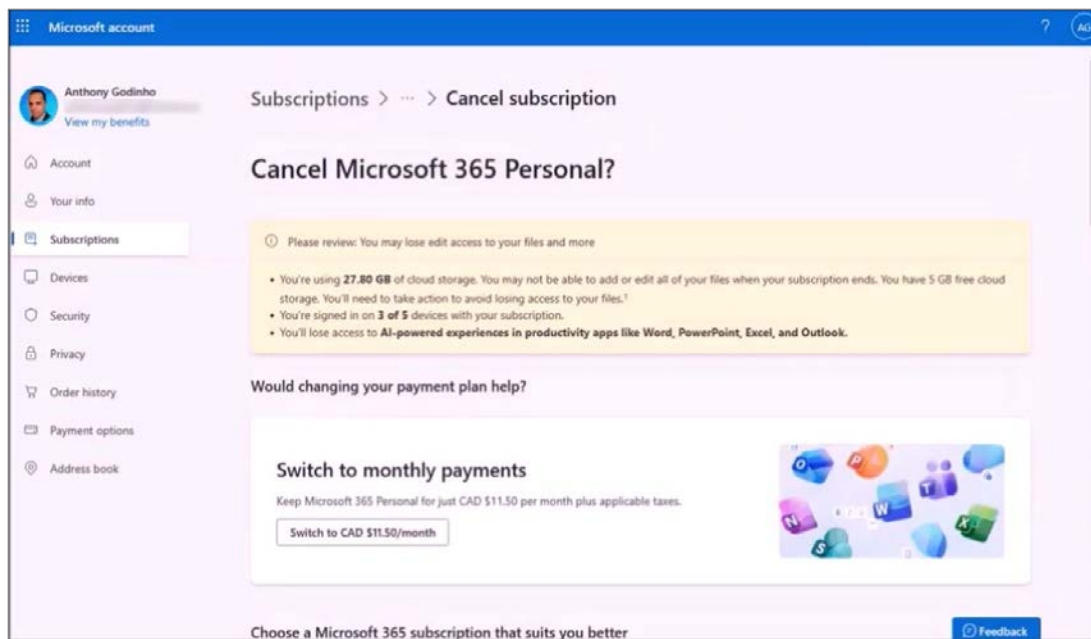
21. However, there was another, hidden option. Microsoft continued to offer existing subscribers the “Microsoft 365 Personal Classic” and “Microsoft 365 Family Classic” plans (together, the “Classic Plans”), which allowed subscribers to keep the same features and services as their pre-existing subscriptions, without Copilot, at the Previous Plan Prices;
22. Within subscribers’ Microsoft accounts, however, Microsoft displayed the Classic Plans only to subscribers who began cancelling their subscriptions or turning off recurring billing. Cancelling a subscription would terminate access to the entire Microsoft 365 suite. Subscribers who never attempted to cancel were never presented with the option to switch to a Classic Plan through their Microsoft accounts, as Microsoft’s own instructions confirm (“Manage > Cancel subscription”), the whole as appears more fully from a copy of an archived extract from Microsoft’s support website, “Switching to Microsoft 365 Personal and Family Classic Plans” dated January 16, 2025, produced herein as **Exhibit R-8**;
23. Microsoft’s only public references to the Classic Plans were a single sentence in its January 16, 2025 blog announcement (Exhibit R-2) and a support page (Exhibit R-8), both of which presented the Classic Plans as available only to existing subscribers with recurring billing enabled and only “for a limited time” (“*pour un temps limité*” in the French version). The Classic Plans did not appear among the plans listed on Microsoft’s Canadian storefront on January 23, 2025 or on October 5, 2026 (Exhibit R-3). A consumer is not required to search a merchant’s blog or support website to discover an important fact that the merchant left out of the notices it addressed to that consumer directly;
24. In order to discover and switch to a Classic Plan, a subscriber was required to proceed through the following steps (the “Cancellation Process”):
 - a. click a hyperlink in an email from Microsoft labelled “how to cancel”, click a button labelled “Manage subscriptions” in another email from Microsoft, or manually navigate to the Microsoft website;
 - b. log in to their Microsoft account;
 - c. navigate to the “Subscriptions” section;
 - d. click an option labelled “Manage”;
 - e. skip an option labelled “Switch plan”, which did not reveal the Classic Plans but only offered to switch between monthly and annual billing;
 - f. click an option labelled “X Cancel subscription”, which initiated the cancellation process;

- g. scroll down past various other options to a menu that finally revealed the option to select a Classic Plan;
 - h. click “Switch plan” within the selected Classic Plan;
 - i. confirm the payment method; and
 - j. finally, click a button labelled “Subscribe”,
- (Exhibits R-8 and R-11);

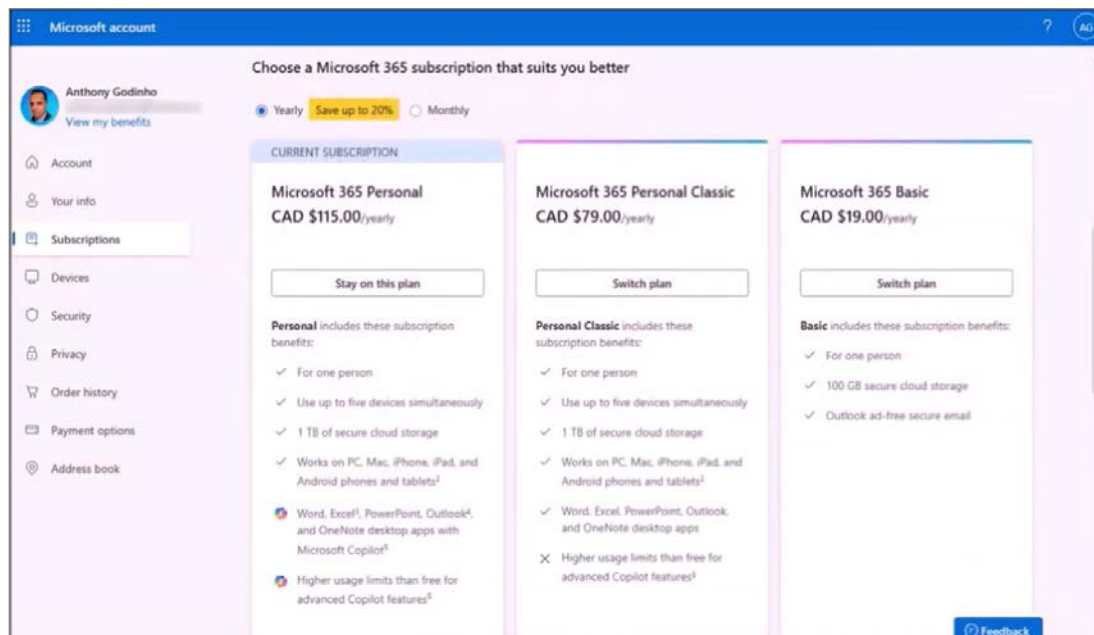
25. The Cancellation Process can be seen in a video tutorial entitled “How to Change Microsoft 365 Subscription to Classic Plan”, which records the process in a Microsoft account billed in Canadian dollars for a Microsoft 365 Personal subscription set to renew on February 14, 2026 at CAD \$115.00 per year. The “Manage subscription” panel offers a “Switch plan” link, “Turn off recurring billing” and “Cancel subscription”, promotes a “Limited-time offer” to upgrade to the more expensive Microsoft 365 Premium plan, and makes no mention of any Classic plan:



Only once “Cancel subscription” is selected does a page headed “Cancel Microsoft 365 Personal?” appear, warning the subscriber of what will be lost and asking “Would changing your payment plan help?”:



It is only further down that cancellation page, under the heading “Choose a Microsoft 365 subscription that suits you better”, that Microsoft 365 Personal Classic is finally offered, at CAD \$79.00 per year:



The whole as appears more fully from copies of screen captures taken from the video tutorial entitled “How to Change Microsoft 365 Subscription to Classic Plan” and from the video itself, produced herein *en l'asse* as **Exhibit R-9**;

26. Even subscribers who learned of the Classic Plans could not readily find them. On January 21, 2025, a long-time Canadian subscriber asked on Microsoft's support forum why his renewal price had risen by 32% from \$109. A Microsoft support specialist replied that "[t]he reason for the subscription price increase is that the product team has added Copilot to all Office applications starting from January 16, 2025", that he could "downgrade" to a Classic plan, and that "[i]f the self-service portal does not allow you to switch to the Classic subscription, you may need to contact online support and have a support agent manually assist you in modifying the subscription in the backend". The subscriber, who described himself as a senior, answered that "it isn't clear how to make the change", the whole as appears more fully from a copy of the Microsoft Q&A thread entitled "I live in Canada and my subscription cost is increasing 32%. Why??" dated January 21, 2025, produced herein as **Exhibit R-10**;
27. The representations made during the Cancellation Process are referred to collectively as the "Cancellation Representations";
28. The Cancellation Representations reinforced the general impression created by the Price Increase Representation: by hiding the Classic Plans behind a link labelled "how to cancel", by presenting a "Switch plan" option that did not reveal them, and by placing them behind an option labelled "X Cancel subscription", Microsoft ensured that the vast majority of subscribers, relying on inertia and on Microsoft's own statement that "no action" was needed, would be renewed automatically at the higher price;
29. The hidden nature of the Classic Plans has been publicly documented by subscribers. By way of example, on or about September 18, 2025, a subscriber billed in Canadian dollars published a post on the Reddit forum r/Office365, with screen captures, explaining that a Microsoft 365 Family subscription that had always renewed for \$109 was set to renew for \$145, that the "Switch plan" option "is fake" and "only gives the option to change between annual or monthly billing", and that the "Microsoft 365 Family Classic" plan, labelled "Lower cost without AI", was offered only after selecting "Turn off recurring billing" or "Cancel subscription", the whole as appears more fully from a copy of the Reddit post entitled "PSA: Check your Microsoft/Office 365 subscription before allowing it to auto-renew this year" and the comments thereto, produced herein as **Exhibit R-11**;
30. The Classic Plans were, moreover, only ever a temporary option. Microsoft itself described them as available only "for a limited time" (Exhibits R-2 and R-8), without ever telling subscribers when that time would end, its support page warning only that they "are limited offers and may not always be offered as a plan option" (Exhibit R-8). The Classic Plans were still being offered to existing subscribers billed in Canadian dollars, through the Cancellation Process, in or around September 2025 (Exhibit R-11);

31. Microsoft has since closed that window. In its November 6, 2025 communications to its Australian and New Zealand subscribers, Microsoft fixed December 31, 2025 as the date by which they had to switch to a Classic Plan in order to be refunded (Exhibits R-4 and R-17). By early 2026, existing subscribers in Canada were reporting that they could no longer switch to the Classic Plans;
32. By way of example, on February 3, 2026, a Canadian subscriber wrote on Microsoft's support forum that she had "only just discovered" the Microsoft 365 Family Classic plan and that, when she tried to switch to it, "nothing happens"; she was told in reply, by an independent advisor on that forum, that the Classic Plans were "a limited time offer" and that, for subscribers in Australia and New Zealand, "the option to switch to Microsoft 365 Classic is no longer available after December 31, 2025". On April 5, 2026, in answer to a subscriber who had selected "Cancel Subscription" and had not been offered a Classic Plan, a forum moderator identified as Microsoft staff wrote that the Classic Plans "aren't publicly listed or directly purchasable", that where the option does not appear "it isn't something support can manually enable", and that "Microsoft offers it selectively". That is the opposite of what Microsoft's own support specialist had written in January 2025, namely that a support agent could switch a subscriber to a Classic Plan "in the backend" (Exhibit R-10). On August 22, 2026, another subscriber was told, by the same advisor, that "the window to downgrade to the Classic plan has now passed, and it is no longer possible to switch back to it", the whole as appears more fully from copies of the Microsoft Q&A threads entitled "Can't change subscription from Microsoft 365 Family to MS 365 Family Classic" dated February 3, 2026, from a copy of the "Office 365 Classic plan" dated April 5, 2026, and a copy of the "Downgrade to Family Classic" thread dated August 22, 2026, produced herein *en liasse* as **Exhibit R-12**;
33. The precise date on which Microsoft stopped offering the Classic Plans to subscribers in Quebec and in Canada is known only to Microsoft. What is certain is that existing subscribers could have switched to a Classic Plan while it was offered, had Microsoft told them that it existed, and that they can no longer do so. Subscribers who were kept unaware of the Classic Plans thereby lost, without ever knowing that they had it, the opportunity to keep their existing services at the Previous Plan Prices. They are now left with no means of returning to those services at those prices and must either continue to pay the Price Increase at each renewal or give up Microsoft 365 altogether. Their damages are accordingly ongoing;

III. The Value of Copilot to Subscribers

34. In reality and, contrary to Microsoft's representations, Copilot has little to no value to Microsoft 365 Personal and Family subscribers. Microsoft's own support page, "Frequently asked questions about Copilot in Microsoft 365

- subscriptions”, identifies “How do I turn off Copilot?” as a frequently asked question (Exhibit R-2);
35. That page directs subscribers to a further support page, “Turn off Copilot in Microsoft 365 apps”, which explains how to disable Copilot across the Microsoft 365 suite. Copilot must be turned off separately in each of Word, Excel and PowerPoint and on each device, and cannot be turned off at all in the iOS, Android, or web versions of Word, Excel, and PowerPoint, or in Designer, Notepad or Paint (Exhibits R-2 and R-13). Disabling Copilot does not reduce the subscription price to the Previous Plan Prices – the subscriber stays on the same plan and keeps paying the increased price, the whole as appears more fully from a copy of an extract from Microsoft’s support website at support.microsoft.com, produced herein as **Exhibit R-13**;
 36. Microsoft nevertheless advertised Copilot as a productivity tool that could enhance productivity and creativity, streamline tasks, and assist users in applications such as Word, Excel, PowerPoint, Outlook and Teams, the whole as appears more fully from copies of extracts from Microsoft’s website at www.microsoft.com dated January 26, 2025 and October 7, 2026, produced herein *en liasse* as **Exhibit R-14**;
 37. At the same time, Microsoft told subscribers, in its own terms, not to rely on Copilot. The Microsoft Copilot Terms of Use dated October 2024, in force when Microsoft added Copilot to Microsoft 365 Personal and Family subscriptions, expressly provided that “Conversational Experiences such as Word Copilot, PowerPoint Copilot and Outlook.com Copilot that are accessible in separately licensed products”, such as “Microsoft 365 Family or Microsoft 365 Personal subscriptions”, “are governed by these Terms”. Those Terms stated that “[t]he Online Services are for entertainment purposes”, that they “are not error-free, may not work as expected and may generate inaccurate or incomplete information”, that “[y]ou should not rely on the Online Services, and you should not use the Online Services for advice of any kind”, and that “[y]our use of the Online Services is at your own risk”;
 38. The version dated October 2025, which according to Microsoft’s own support page covers Copilot in the Microsoft 365 apps included in Personal and Family subscriptions (Exhibit R-2), states, in bold, that “Copilot is for entertainment purposes only. It can make mistakes, and it may not work as intended. Don’t rely on Copilot for important advice. Use Copilot at your own risk” (emphasis in original), and adds, in capitals, that Microsoft does “NOT MAKE ANY WARRANTY OR REPRESENTATION OF ANY KIND ABOUT COPILOT”. Microsoft thus charged the Class Members the Price Increase for a feature that it advertised as a productivity tool (Exhibit R-14) while disclaiming, in its own terms, that the feature could be relied upon, the whole as appears more fully from copies of the Microsoft Copilot Terms of Use dated October 2024 and October 2025, produced herein *en liasse* as **Exhibit R-15**;

IV. The Foreign Proceedings, Investigations, and Microsoft's Admission

39. On October 27, 2025, the Australian Competition and Consumer Commission (the “ACCC”) instituted proceedings in the Federal Court of Australia against Microsoft Corporation and its Australian subsidiary, Microsoft Pty Ltd, alleging that Microsoft misled approximately 2.7 million Australian Microsoft 365 Personal and Family subscribers by failing to disclose the Classic plans in its price-increase communications and by revealing them only to subscribers who initiated the cancellation process. The ACCC alleges that Microsoft Corporation “was responsible for the preparation and issuance of communications to consumers about changes to their Microsoft 365 subscriptions” and that it “deliberately omitted reference to the undisclosed third option [...] in order to minimise the number of consumers opting out of AI integration and increased pricing”, the whole as appears more fully from a copy of the ACCC Concise Statement No. NSD1977/2025 and from a copy of the ACCC Press Release entitled “Microsoft in court for allegedly misleading millions of Australians over Microsoft 365 subscriptions” dated October 27, 2025, produced herein *en liasse* as **Exhibit R-16**;

40. In announcing those proceedings, the Chair of the ACCC stated:

“We’re concerned that Microsoft’s communications denied its customers the opportunity to make informed decisions about their subscription options.”

41. On November 6, 2025, Microsoft apologized to its Australian and New Zealand subscribers and offered refunds to those who switched to the Classic plans by December 31, 2025. It acknowledged that “[w]e fell short of our standards here, and we apologise”, stating:

“In hindsight, we could have been clearer about the availability of a non-AI enabled offering with subscribers, not just to those who opted to cancel their subscription.”

The whole as appears more fully from Exhibit R-4, from a copy of the Tech Partner News article entitled “Microsoft issues apology for AI-linked subscription price hikes” dated November 7, 2025, from a copy of the News.com.au article entitled “‘We fell short’: Microsoft apologises to 2.7 million Aussies over subscription pricing, offers refunds amid ACCC lawsuit” dated November 7, 2025, from a copy of Microsoft’s statement entitled “An apology to our Microsoft 365 subscribers in New Zealand” dated November 6, 2025, and from a copy of The Guardian news article entitled “Microsoft to refund customers over subscription price increase for AI add-on” dated November 6, 2025, produced herein, *en liasse*, as **Exhibit R-17**;

42. On July 29, 2026, the Competition and Markets Authority in the United Kingdom opened an investigation as to whether customers were misled about Microsoft 365 subscription options and paid more as a result, the whole as appears more fully from a copy of the CMA Press Release entitled “CMA investigates Microsoft over marketing of subscription plans” dated July 29, 2026, produced herein as **Exhibit R-18**;
43. The Italian Competition Authority (the “AGCM”) likewise announced on June 26, 2026 that it is investigating whether Microsoft gave consumers sufficient information to assess the changes made to their Microsoft 365 service and to make an informed decision on whether to renew their subscription, and whether its conduct constituted an aggressive commercial practice (Exhibit R-18), the whole as appears more fully from a copy of the AGCM’s press release entitled “PS13129 - The Italian Competition Authority launches investigation into the “Microsoft 365” subscription price increase” dated June 26, 2026, produced herein as **Exhibit R-19**;
44. Microsoft’s conduct in Canada, including in Quebec, was materially identical to the conduct at issue in Australia, New Zealand, and in the U.K. Microsoft itself states that in October 2024 it “launched a pilot of the changes we’re announcing today in a small set of markets” (Exhibit R-2) – which included Australia and New Zealand (Exhibits R-4 and R-17) – before extending the same changes to Microsoft 365 Personal and Family plans “worldwide” on January 16, 2025 (Exhibit R-8). Yet Microsoft has offered no apology, disclosure or refund to subscribers in Quebec;

I. Summative Remarks

45. Through the Price Increase Representation and the Cancellation Representations, Microsoft deliberately steered the Class Members into paying for Copilot, while concealing that they could keep the services they already had, at the price they were already paying;
46. The Class Members were among the intended recipients of Microsoft’s representations and omissions, which are material in that a reasonable person would attach importance to the existence of a cheaper option for the same services and would be induced to act upon such information;
47. Microsoft’s conduct, repeated across its subscriber base and maintained in Quebec even after Microsoft acknowledged in Australia that it should have been clearer, such that annual subscribers whose renewal fell between November 2025 and January 2026 (Exhibit R-2) were renewed at the increased price, without being told of the Classic Plans, after that acknowledgement, displays ignorance, carelessness or serious negligence with respect to the rights of its customers and warrants an award of punitive damages;

48. This class action seeks to hold Microsoft accountable for its conduct, to compel Microsoft to make the Classic Plans available once again to Quebec subscribers and to disclose them, and to compensate the Class Members for the sums that they paid as a result of Microsoft's prohibited practices, representations, and omissions;

II. FACTS GIVING RISE TO AN INDIVIDUAL ACTION BY THE PLAINTIFF

49. The Plaintiff resides in Montreal, Quebec, and has been a Microsoft subscriber since 1996, which, prior to February 14, 2025, with a personal plan with recurring monthly billing at the price of \$8.00 plus taxes per month;
50. On or about February 14, 2025, the price of the Plaintiff's subscription increased from \$8.00 to \$11.50 plus taxes per month. The payment method on file was charged automatically;
51. Microsoft never informed the Plaintiff of the availability of the Classic Plans. Based on Microsoft's communications, the Plaintiff understood that the only way to keep using Microsoft 365, on which the Plaintiff relied for daily use, was to pay the new higher price;
52. The Plaintiff attempted to cancel several times, but was unable to. In the meantime, Microsoft renewed the Plaintiff's subscription with Copilot and charged \$11.50, and has continued to charge the increased price monthly since then;
53. The Plaintiff never requested that Copilot be added to the subscription and never consented to, or otherwise affirmed, that change. The Plaintiff has tried to use Copilot and found it to be unhelpful and not something that she was interested in using free or otherwise;
54. Had the Plaintiff known of the Classic Plans, the Plaintiff would have switched to a Classic Plan and would not have paid the Price Increase;
55. The damages suffered by the Plaintiff are a direct and immediate consequence of Microsoft's conduct and its false and misleading representations and omissions;
56. In view of the foregoing, the Plaintiff is justified in claiming the reduction of the Plaintiff's obligations in an amount equal to the Price Increase paid, as well as punitive damages;

III. FACTS GIVING RISE TO AN INDIVIDUAL ACTION BY EACH OF THE MEMBERS OF THE GROUP

57. Every member of the Class paid for a Microsoft 365 Personal or Family subscription that included Copilot, at the increased price, on or after January 16, 2025;
58. Every member of the Class was subjected to the same practice: Microsoft failed to disclose to them the availability of the Classic Plans, and existing subscribers received the same Price Increase Representation;
59. In addition, every member of the Existing Subscriber Subclass had Copilot added to an existing subscription, and the price of that subscription increased, without having requested it;
60. The Class Members were, therefore, induced into error by Microsoft's false and misleading conduct;
61. Had Microsoft disclosed the availability of the Classic Plans, while they were being offered, reasonable consumers would have chosen to keep their Microsoft 365 services without Copilot at the Previous Plan Prices, and would not have paid the Price Increase;
62. In consequence of the foregoing, each member of the Class is justified in claiming at least one or more of the following:
 - a) A reduction of their obligations, or the reimbursement of the sums paid, in an amount equal to the difference between the price paid and the Previous Plan Prices;
 - b) For the members of the Existing Subscriber Subclass, the reimbursement of all sums paid in respect of Copilot;
 - c) Punitive damages;
63. Microsoft has engaged in wrongful conduct, while at the same time obtaining substantial sums of money from the Class Members;
64. All of these damages to the Class Members are a direct and proximate result of Microsoft's conduct and its false and misleading representations and omissions;

IV. CONDITIONS REQUIRED TO INSTITUTE A CLASS ACTION

- A) The composition of the Class makes it difficult or impracticable to apply the rules for mandates to sue on behalf of others or for consolidation of proceedings
65. The Plaintiff is not privy to the specific number of persons in Quebec who paid for a Microsoft 365 Personal or Family subscription that included Copilot. Considering that approximately 2.7 million subscribers were affected in

Australia alone (Exhibit R-16) and that Microsoft reports 89 million Microsoft 365 consumer subscribers worldwide (Exhibit R-1), it is safe to estimate that the Class comprises tens of thousands, if not hundreds of thousands, of persons. Microsoft's records identify each Class Member, their subscription, billing dates, amounts paid and email address;

66. Class Members are numerous and are scattered throughout the province of Quebec;
 67. In addition, given the costs and risks inherent in an action before the courts, many people will hesitate to institute an individual action against the Defendants. Even if the Class Members themselves could afford such individual litigation, it would place an unjustifiable burden on the courts and, at the very least, is not in the interests of judicial economy. Furthermore, individual litigation of the factual and legal issues raised by the conduct of the Defendants would increase delay and expense to all parties and to the court system;
 68. The individual losses of the Class Members are small, in the order of \$36 to \$42 per year per subscription, making it economically unfeasible for any of them to finance the litigation expenses inherent in an individual legal proceeding against two multinational corporations;
 69. This class action overcomes the dilemma inherent in an individual action whereby the legal fees alone would deter recovery and thereby, in empowering the consumer, it realizes both individual and social justice as well as rectifies the imbalance and restores the parties to parity;
 70. Also, a multitude of actions instituted in different judicial districts risks having contradictory judgments on questions of fact and law that are similar or related to all members of the Class;
 71. These facts demonstrate that it would be impractical, if not impossible, to contact each and every member of the Class to obtain mandates and to join them together in one action;
 72. In these circumstances, a class action is the only appropriate procedure and the only viable means for all of the members of the Class to effectively pursue their respective rights and have access to justice;
- B) The claims of the members of the Class raise identical, similar or related issues of law or fact
73. All Class Members were subjected to the same practices, namely the Price Increase Representation, the Cancellation Representations and Microsoft's failure to disclose the Classic Plans, and all paid the same Price Increase;

74. Individual issues, if any, pale by comparison to the common issues that are significant to the outcome of the litigation;
75. The damages sustained by the Class Members flow, in each instance, from a common nucleus of operative facts, namely, the Defendants' misconduct;
76. The claims of the members raise identical, similar or related issues of fact or law, namely:
 - a) Did the Defendants make false or misleading representations to persons who paid for a Microsoft 365 Personal or Family subscription on or after the Price Increase?
 - b) Did the Defendants fail to disclose the availability of the Classic Plans to Class Members?
 - c) Did the Defendants unilaterally amend the subscription contracts of the members of the Existing Subscriber Subclass by adding Copilot and imposing the Price Increase, without their request or consent?
 - d) Are the Defendants solidarily liable to the Class Members for reimbursement of the amounts that they paid, on or after the Price Increase, in excess of the Previous Plan Prices?
 - e) Should an injunctive remedy be ordered to require the Defendants to make the Classic Plans available once again to the Class Members, to inform them thereof, and to allow them to switch to such plans without having to initiate the cancellation of their subscriptions?
 - f) Are the Class Members entitled to a reduction of their obligations, or to the reimbursement of the sums paid, in an amount equal to the Price Increase?
 - g) Are the Defendants responsible to pay punitive damages to Class Members and, if so, in what amount?
77. The interests of justice favour that this application be granted in accordance with its conclusions;

V. NATURE OF THE ACTION AND CONCLUSIONS SOUGHT

78. The action that the Plaintiff wishes to institute on behalf of the members of the Class is an action in damages, reduction of obligations, injunctive relief and declaratory judgment;
79. The conclusions that the Plaintiff wishes to introduce by way of an application to institute proceedings are:

GRANT the class action of the Plaintiff and each of the members of the Class and of the Existing Subscriber Subclass;

DECLARE that the Defendants made false or misleading representations and failed to mention an important fact with respect to the addition of Copilot to Microsoft 365 Personal and Family subscriptions, the corresponding Price Increase, and the availability of the Classic Plans;

DECLARE that the Defendants unilaterally amended the subscription contracts of the members of the Existing Subscriber Subclass in contravention of, *inter alia*, section 11.2 of the *Consumer Protection Act*, that such amendments are without effect against them, and that the Defendants demanded payment for a service that was not requested, contrary to, *inter alia*, section 230 of the *Consumer Protection Act*;

ORDER the Defendants to make the Classic Plans, or any equivalent plan without Copilot at the Previous Plan Prices, available once again to all members of the Class who remain Microsoft 365 Personal or Family subscribers, to inform them thereof, and to allow them to switch to such a plan without having to initiate the cancellation of their subscriptions;

CONDEMN the Defendants solidarily to pay to each member of the Class a sum equal to the amounts paid in excess of the Previous Plan Prices, or any other sum to be determined in compensation of the damages suffered, and **ORDER** collective recovery of these sums;

CONDEMN the Defendants solidarily to pay punitive damages to each of the members of the Class, in an amount to be determined by the Court, and **ORDER** collective recovery of these sums;

CONDEMN the Defendants to pay interest and the additional indemnity provided for in article 1619 of the *Civil Code of Québec* on the above sums from the date of service of the application to authorize a class action;

ORDER the Defendants to deposit in the office of this Court the totality of the sums which form part of the collective recovery, with interest and costs;

CONDEMN the Defendants to bear the costs of the present action, including expert and notice fees;

RENDER any other order that this Honourable Court shall determine and that is in the interest of the members of the Class;

A) The Plaintiff requests to be designated as representative of the Class

80. The Plaintiff is a member of the Class and of the Existing Subscriber Subclass;

81. The Plaintiff is ready and available to manage and direct the present action in the interest of the members of the Class that the Plaintiff wishes to represent and is determined to lead the present dossier until a final resolution of the matter, the whole for the benefit of the Class, as well as to dedicate the time necessary for the present action before the Courts and the *Fonds d'aide aux actions collectives*, as the case may be, and to collaborate with the Plaintiff's attorneys;
 82. The Plaintiff has the capacity and interest to fairly, properly, and adequately protect and represent the interest of the members of the Class;
 83. The Plaintiff has given the mandate to the Plaintiff's attorneys to obtain all relevant information with respect to the present action and intends to keep informed of all developments;
 84. The Plaintiff, with the assistance of the Plaintiff's attorneys, is ready and available to dedicate the time necessary for this action and to collaborate with other members of the Class and to keep them informed;
 85. The Plaintiff has given instructions to the Plaintiff's attorneys to put information about this class action on their website and to collect the coordinates of those Class Members that wish to be kept informed and participate in any resolution of the present matter, the whole as will be shown at the hearing;
 86. The Plaintiff is in good faith and has instituted this action for the sole goal of having the Plaintiff's rights, as well as the rights of other Class Members, recognized and protected so that they may be compensated for the damages that they have suffered as a consequence of the Defendants' conduct;
 87. The Plaintiff understands the nature of the action;
 88. The Plaintiff's interests do not conflict with the interests of other Class Members and further, the Plaintiff has no interest that is antagonistic to those of other members of the Class;
 89. The Plaintiff is prepared to be examined out-of-court on the allegations herein (as may be authorized by the Court) and to be present for Court hearings, as may be required and necessary;
 90. The Plaintiff has spent time researching this issue on the internet and meeting with the Plaintiff's attorneys to prepare this file. In so doing, the Plaintiff is convinced that the problem is widespread;
- B) The Plaintiff suggests that this class action be exercised before the Superior Court of Quebec in the district of Montreal

91. A great number of the members of the Class reside in the judicial district of Montreal and in the appeal district of Montreal;
92. The Plaintiff's attorneys practice their profession in the judicial district of Montreal;
93. The present application is well founded in fact and in law.

FOR THESE REASONS, MAY IT PLEASE THE COURT:

GRANT the present application;

AUTHORIZE the bringing of a class action in the form of an application to institute proceedings in damages, reduction of obligations, injunctive relief and declaratory relief;

APPOINT the Plaintiff as representative of the persons included in the Class herein described as:

- All persons residing in Quebec who paid for a Microsoft 365 Personal or Family subscription that included Copilot, on or after January 16, 2025, or any other group to be determined by the Court (the "Class" or the "Class Members");

Alternatively, or as a subclass:

- All persons residing in Quebec whose Microsoft 365 Personal or Family subscription did not previously include Copilot and whose pre-existing subscription renewed on or after February 14, 2025 at a higher price with Copilot added (the "Existing Subscriber Subclass");

IDENTIFY the principal issues of fact and law to be treated collectively as the following:

- a) Did the Defendants make false or misleading representations to persons who paid for a Microsoft 365 Personal or Family subscription on or after the Price Increase?
- b) Did the Defendants fail to disclose the availability of the Classic Plans to Class Members?
- c) Did the Defendants unilaterally amend the subscription contracts of the members of the Existing Subscriber Subclass by adding Copilot and imposing the Price Increase, without their request or consent?

- d) Are the Defendants solidarily liable to the Class Members for reimbursement of the amounts that they paid, on or after the Price Increase, in excess of the Previous Plan Prices?
- e) Should an injunctive remedy be ordered to require the Defendants to make the Classic Plans available once again to the Class Members, to inform them thereof, and to allow them to switch to such plans without having to initiate the cancellation of their subscriptions?
- f) Are the Class Members entitled to a reduction of their obligations, or to the reimbursement of the sums paid, in an amount equal to the Price Increase?
- g) Are the Defendants responsible to pay punitive damages to Class Members and, if so, in what amount?

IDENTIFY the conclusions sought by the class action to be instituted as being the following:

GRANT the class action of the Plaintiff and each of the members of the Class and of the Existing Subscriber Subclass;

DECLARE that the Defendants made false or misleading representations and failed to mention an important fact with respect to the addition of Copilot to Microsoft 365 Personal and Family subscriptions, the corresponding Price Increase, and the availability of the Classic Plans;

DECLARE that the Defendants unilaterally amended the subscription contracts of the members of the Existing Subscriber Subclass in contravention of, *inter alia*, section 11.2 of the *Consumer Protection Act*, that such amendments are without effect against them, and that the Defendants demanded payment for a service that was not requested, contrary to, *inter alia*, section 230 of the *Consumer Protection Act*;

ORDER the Defendants to make the Classic Plans, or any equivalent plan without Copilot at the Previous Plan Prices, available once again to all members of the Class who remain Microsoft 365 Personal or Family subscribers, to inform them thereof, and to allow them to switch to such a plan without having to initiate the cancellation of their subscriptions;

CONDEMN the Defendants solidarily to pay to each member of the Class a sum equal to the amounts paid in excess of the Previous Plan Prices, or any other sum to be determined in compensation of the damages suffered, and **ORDER** collective recovery of these sums;

CONDEMN the Defendants solidarily to pay punitive damages to each of the members of the Class, in an amount to be determined by the Court, and **ORDER** collective recovery of these sums;

CONDEMN the Defendants to pay interest and the additional indemnity provided for in article 1619 of the *Civil Code of Québec* on the above sums from the date of service of the application to authorize a class action;

ORDER the Defendants to deposit in the office of this Court the totality of the sums which form part of the collective recovery, with interest and costs;

CONDEMN the Defendants to bear the costs of the present action, including expert and notice fees;

RENDER any other order that this Honourable Court shall determine and that is in the interest of the members of the Class;

DECLARE that all members of the Class that have not requested their exclusion be bound by any judgment to be rendered on the class action to be instituted in the manner provided for by the law;

FIX the delay of exclusion at thirty (30) days from the date of the publication of the notice to the Class Members, date upon which the members of the Class that have not exercised their means of exclusion will be bound by any judgment to be rendered herein;

ORDER the publication of a notice to the members of the Class in accordance with article 579 C.C.P. within sixty (60) days from the judgment to be rendered herein in *La Presse*, *Le Journal de Montréal* and the Montreal Gazette;

ORDER the Defendants to send said notice by email to each Class Member at the email address associated with their Microsoft account, and to make said notice available on the Defendants' website(s) and in the "Subscriptions" section of each Class Member's Microsoft account, with a link stating "Notice to Microsoft 365 Personal and Family Subscribers in Quebec";

RENDER any other order that this Honourable Court shall determine and that is in the interest of the members of the Class;

THE WHOLE with costs, including all publication and dissemination fees.

Montreal, October 8, 2026

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