

GLGI – FAQs

Q1. How do I join this class action?

A: If you fall within the class definition, then you are automatically included as a class member. The class definition is:

All persons who participated in the Global Learning Gifting Initiative Charitable Donation program (“the Gift Program”), exclusive of the Defendants, their family members, employees, agents, assigns, parent or subsidiary or affiliated companies, and any person or entity who provided services to one or more of the Defendants in respect of the creation, promotion, marketing or sale of the Gift Program, including any sales agents or distributors, and exclusive of Juanita Mariano, Douglas Moshurchak, Sergiy Bilobrov, Melba Lopus, Lylyne Santos, the Estate of Penny Sharp, and Janice Moshurchak.

Please note that anyone who was a sales agent or “fundraiser” for the GLGI program (the “Gift Program”) is not included in the class action.

Q2. Do I have to pay to be a class member?

A: There is no upfront cost or charge to class members. Class Counsel are working on a contingency fee basis, which means that we only get paid if the class action is successful in recovering money for the class members. The fees that Class Counsel will be paid, and the amount we will be reimbursed for the expenses we incur in running the case (disbursements), will have to be approved by the court before we are paid.

There is also no financial risk of an adverse costs award for class members. Only the representative plaintiffs are liable for adverse costs awards. In this case, the action has been funded by the Ontario Class Proceedings Fund. This means that the Fund has provided the representative plaintiffs with an indemnity against any possible adverse costs awards, as well as paying for some of the disbursements. If the action is successful in recovering money for the class members, the Fund will be repaid the disbursements that it paid, and will be paid a levy equal to 10% of the net recovery obtained by the class, after the deduction of legal fees and repayment of the disbursements.

Q3. When will I get my money from the class action?

A: The action is in the early stages. Many steps still need to be taken, including document exchange and examinations for discovery of the various parties. It is likely that some of the defendants will bring motions to the court to try to have the action dismissed against them. All of which is to say that the action is likely still several years away from a trial date.

We cannot say whether any of the defendants will enter into a settlement before trial. Any settlement with any of the defendants will be subject to court approval. If there is a settlement with any of the defendants, then notice will be provided to the class about the settlement and, if

applicable, how to make a claim. At this stage, it is premature to speculate whether this may happen.

Q4. My taxes have been reassessed by the CRA – what should I do?

The CRA is calling me and demanding payment of the taxes it says are owing since I was reassessed – what should I do?

A: Class Counsel are acting on behalf of the class only in the class action brought against GLGI and other defendants, including various professionals. Class Counsel are not tax specialists, nor can we provide advice to individual class members about their individual tax situations. For tax advice, please consult with your own accountant or a tax lawyer.

Q5. I entered into a settlement with CRA. Am I still allowed to be in this class action?

A: Yes. Any proceedings or settlements between you and CRA are completely separate from this class action. This class action is seeking compensation on behalf of the class for losses suffered (including any interest or penalties that you may have paid to CRA) from GLGI and other companies and individuals who were involved in the GLGI gift program.

Q6. I signed up for the Saskatchewan action started by Donors4Donors / Tony Merchant / Merchant Law Group. Am I still allowed to be in this class action?

A: Yes. At this point, the Saskatchewan action has not been certified (*i.e.* received permission from the court to proceed as a class action). If the Saskatchewan court certifies and allows that action to proceed, you can be a member of both actions, so long as you meet the class definition approved by the court in each action.

The application for certification of the Saskatchewan class action took place during the week of December 9, 2019. All of the defendants and the plaintiffs in this action opposed certification. The judge has reserved her decision, which means that she is reviewing the materials and the arguments made by the parties, and she will make up her mind some time in the next few months. We do not have an estimate of when that decision is likely to be made, but, once it is released, we will be updating our website with the results.

Q7. I signed up for the Saskatchewan action started by Donors4Donors / Tony Merchant / Merchant Law Group. Do I have to opt out of this class action?

A: NO. See answer to Q3 above. There is no requirement to opt out of this action due to participation in the Saskatchewan action.

Q8. My parent (or other family member was involved in the Gift Program, but they have now died or are incapacitated. Can I make a claim of their behalf?

A: The person who is the Estate's executor or who has a power of attorney for property can take the place of a class member. To do so, they must produce a document such as a grant of probate, or a will and proof of death, or the power of attorney and proof of the class member's incapacity, along with their own personal identification, and then we can update our records to name the executor or attorney as the class member's representative.

Q9. I had to declare bankruptcy since participating in the Gift Program. Do I still qualify as a class member?

A: The Trustee in Bankruptcy is the one who has the right to make the claim on behalf of the bankrupt estate. The Trustee in Bankruptcy should provide us with proof of appointment as trustee, and then we can update our records to name the Trustee instead of the class member.

Q10. Should I send you my documents dealing with the GLGI Gift Program or my income tax reassessment?

A: No, you should not send us your documents right now (other than estate/bankruptcy paperwork, as described above). If you still have any of the GLGI documents, including the contract documents, charitable receipts, tax returns or CRA reassessments, you should gather them all together and put them in a safe place where you will be able to find them easily. You may have to produce some of those documents to prove that you are a class member, and—if there is a settlement, or the action succeeds at trial—the extent of your losses.

Q11. I received the notice about this class by mail or email .How did you get my contact information?

A: As part of a settlement with a minor defendant, we received all of the documents that he had in his possession, which included a database of class members who participated in the GLGI Gift Program between 2004 and 2010. We obtained permission from the court to use this database so that we could provide the best direct notice that we could about this class action. If you received the notice by mail or email, then your name was on that database or you previously provided your contact information to us.

Q12. I know other people who were involved in the GLGI Gift Program but they didn't get the notice about certification.

A: We want as many people as possible to learn about the class action and that it has been certified. Please let those people know about the certification of the class action, either by forwarding a copy of the notice to them, or directing them to our website. Please encourage them to contact us and give us their contact information, so they will receive any future notices. Unfortunately, due to privacy concerns, we will not take these other individuals' contact information from another person without their consent.