

NOTICE OF CERTIFICATION AS A CLASS ACTION

TO ALL INDIVIDUALS WHO PARTICIPATED IN THE GLOBAL LEARNING GIFTING INITIATIVE CHARITABLE DONATION TAX SHELTER BETWEEN 2004 AND 2014

This Notice may affect your rights. Please read it carefully.

A class action lawsuit has been certified by the Ontario Superior Court of Justice. This class action is called: *Wintercorn et al. v. Global Learning Group Inc. et al.*, Court File No. CV-17-583573-00CP.

A settlement has also been reached with two of the defendants. Most of the defendants are still defending this class action.

Who is this notice for?

You are a “Class Member” if: you participated in the Global Learning Gifting Initiative Charitable Donation program (“the Gift Program”), and you are not one of the defendants, their family members, employees, agents, assigns, parent or subsidiary or affiliated companies, or 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 Lapus, Lylyne Santos, the Estate of Penny Sharp, and Janice Moshurchak (the “Class”).

What is the purpose of this notice?

On June 26, 2019, the Ontario Superior Court of Justice certified *Wintercorn et al. v. Global Learning Group Inc.* as a class action. Lynn Wintercorn, Peter Newman, Emily Flammini, and Alex Kepic were appointed as the representative plaintiffs. Waddell Phillips Professional Corporation and Klein & Schonblum Associates are Class Counsel.

This Notice explains your rights arising from the certification order.

What is this class action lawsuit about?

This class action seeks reimbursement to the Class Members of the money that they paid to participate in the Gift Program and the interest and penalties that may have been assessed by Canada Revenue Agency.

The claims asserted against the defendants include: breach of contract, conspiracy, fraud, fraudulent misrepresentation, negligence, negligent misrepresentation, breach of consumer protection legislation, and knowing receipt of trust funds.

For more information about the claim, the statement of claim and the certification order setting out the common issues for trial can be reviewed at: www.glgiclassaction.com.

The defendants deny all of the allegations made against them, none of which have yet been proven in court.

What does it mean to be a Class Member? / What does it mean that this lawsuit is certified?

Every potential class action must be approved (“certified”) by the Court before it can go ahead as a class action. This lawsuit has now been certified. Everyone who falls within the class definition is automatically included in the class action, and will be bound by the outcome of the class action, including any settlements or judgment, unless they exclude themselves from the class action by opting out.

Class Members may be entitled to share in the amount of any judgment or settlement reached in the class action.

If you are a Class Member who wishes to participate in the lawsuit, then you do not need to do anything more at this stage.

Certification is not a determination of the merits of the plaintiffs’ claims or the defendants’ defences, which have not yet been considered by the Court. It is simply confirmation that the action may proceed as a class action.

If you are a member of the Class, you are encouraged to notify Class Counsel or the claims administrator (see below) of your current contact information, so that we can ensure that you receive any further communications about the class action directly.

Do I have to pay anything?

There is NO PAYMENT required by Class Members to participate in the class action. If you are a Class Member, you will have no responsibility to pay any legal fees or costs, directly. Class Counsel will only be paid from the proceeds of any judgment or settlement.

Class Counsel have entered into a contingency fee agreement with the representative plaintiffs, which provides for a contingency fee of 30%, along with reimbursement of disbursements and taxes, however, the Court must approve any legal fees before they are paid to Class Counsel.

The representative plaintiffs have obtained funding from the Ontario Class Proceedings Fund. The Fund will cover the cost of some of the disbursements incurred in prosecuting the class action, and it is responsible to pay any adverse court costs awards that might be made against the plaintiffs as the matter progresses. In exchange, the Fund is entitled to be paid 10% of the net recovery from any settlement or judgment, and to be repaid the disbursements it has funded.

Class Counsel in this action have not collected, and will never collect, any funds from individual Class Members.

What about the other class action lawsuit?

Another law firm, Merchant Law Group, has commenced another lawsuit about the Gift Program, in Saskatchewan: *Piett v. Global Learning Group Inc.*, Court File No. 590/16. That lawsuit (the “*Piett* lawsuit”) has **not** been certified as a class action and is not related to this class action, although the claims overlap in large measure.

All the defendants sued in the *Piett* lawsuit are opposing the certification of that action as a class action.

If the Saskatchewan court decides to certify all or any part of the *Piett* lawsuit, there will be a separate notice to the class about that proceeding.

If you fit the *Wintercorn* Class definition you are a Class Member in this class action, regardless of whether you paid money to Merchant Law Group, or if you signed a document called a “Contingent Fee Retainer Agreement” with Merchant Law Group, or if you fit the proposed class definition in that action. You do not have exclude yourself from the *Wintercorn* action.

If you do not wish to participate in this certified class action, and wish only to participate in the *Piett* lawsuit, if it is eventually certified as a class action, then you must exclude yourself from this class action by opting out, as explained below.

Be warned, however, that if you exclude yourself from this *Wintercorn* class action, and if the *Piett* lawsuit is not certified as a class action, or if the certified class in the *Piett* lawsuit does not include you as a class member, you cannot later seek to rejoin the *Wintercorn* class action.

How do I opt out?

If you decide to opt out, you will not be bound by the terms of any judgment or settlement in this class action. You will also not be eligible for any of the benefits of any judgment or settlement if the action is successful.

If you do not want to participate in this class action, then you must say so in writing by delivering a completed Opt-Out Form to:

GLGI Class Action Administrator c/o CA2 Inc., 9 Prince Arthur
Avenue, Toronto, ON, M5R 1B2 glgi@classaction2.com

Emailed opt-out forms must be received by 5:00 p.m. EST on **March 6, 2020**, and mailed opt-out forms must be postmarked by 5:00 p.m. EST on **March 6, 2020**. Emailed opt-out forms received after that time and mailed opt-out forms postmarked after that time will not be accepted, and will be invalid.

If you opt out, you will not be eligible for any of the benefits of any judgment or settlement if the action is successful.

How do I participate in the class action?

As a Class Member, **you are not required to do anything at this stage, and you are not required to pay any money to Class Counsel**. You are not obliged to participate as a witness in the common issues trial. If the trial is successful or if a settlement is reached, you may be asked, at that time, to prove your personal claim for the losses that you have suffered.

If the common issues trial is successful, but no money judgment is awarded because each Class Member has to prove they suffered a loss, there will be a further notice

(Long Form)

explaining how that individual proof of loss process will take place, and what your risks and responsibilities are to participate in the proof of loss process.

Should this class action settle, a further notice will be provided to you outlining your rights to support or object to the settlement, and how to participate in obtaining a payment from the settlement.

What claims have been settled?

The court has approved a settlement with two defendants, Denis Jobin and JDS Corporation, in which these defendants have produced almost 1 million documents and will provide evidence that will assist in the prosecution of the claim against the other defendants, in exchange for a full and final release from the Class Members. This settlement will not result in any payments being distributed to the Class Members. The action will continue to be prosecuted against the remaining defendants.

Details of the settlement, including a copy of the Settlement Agreement and the Settlement Approval Order, can be found at www.glgiclassaction.com .

What if I have more questions?

Any questions about the matters in this notice should be addressed to Class Counsel at either:

Waddell Phillips Professional Corporation Barristers 36 Toronto Street, Suite 1120 Toronto ON M5C 2C5 reception@waddellphillips.ca 647-261-4486 or 1-888-684-5545 (toll-free)	Klein & Schonblum, Associates Barristers & Solicitors 2300 Yonge Street, Suite 2901 Toronto, Ontario M4P 1E4 glgi@ksalaw.com 416-480-0221
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This notice is a summary of the terms of the certification order. If there is a conflict between the provisions of this notice and the terms of the certification order, the certification order prevails. The certification order can be viewed at www.glgiclassaction.com or www.classaction2.com/glgi.html.

This notice was approved by the Ontario Superior Court of Justice.