

# NOTICE OF THE APPROVAL HEARING ON MAY 26, 2010 TO CONSIDER THE PROPOSED SETTLEMENT OF THE MONEY MART CLASS ACTIONS

Read this notice carefully as it may affect your rights.

This notice was approved by the Supreme Court of Nova Scotia, the Court of Queen's Bench of New Brunswick and the Supreme Court of Newfoundland and Labrador

This notice is to inform proposed class members of their rights under the proposed settlement.

**This notice is directed to all persons who received a fast cash advance or payday loan from a Money Mart store in Nova Scotia, New Brunswick or Newfoundland and Labrador between January 1, 1997 and March 31, 2010 which was repaid by a first party personal cheque delivered on the day the loan was obtained in respect of which cheque cashing fees were paid, provided such cheque was honoured by the bank ("Eligible Fast Cash Advance Transaction").**

**A settlement has been reached in class actions commenced in Nova Scotia, New Brunswick and Newfoundland and Labrador, subject to court approval. The settlement is a compromise of disputed claims. The defendants do not admit any wrongdoing or liability.**

The class actions seek to require Money Mart and its parent company, Dollar Financial Group, Inc., to pay damages equal to the charges on Eligible Fast Cash Advance Transactions on the theory that such charges breached s. 347 of the Criminal Code of Canada. Money Mart and Dollar Financial deny that they owe damages.

As a result of the proposed settlement, the courts will be asked to certify a class of all persons who, in the period January 1, 1997 to March 31, 2010, entered into a fast cash advance in Nova Scotia, New Brunswick or Newfoundland and Labrador with Money Mart or a Former Franchisee or a Current Franchisee which was repaid using a first party personal cheque delivered at the time the fast cash advance was obtained **in respect of which cheque cashing fees were paid**, provided such cheque was honoured by the bank, excluding persons who opt out (collectively "settlement class members").

## SUMMARY OF SETTLEMENT TERMS

If the settlement is approved by the courts, Money Mart will provide settlement benefits of approximately \$5 million comprised of the following elements.

The class will be divided into two groups: (a) the debt forgiveness group and (b) the transaction credit group.

Members of the debt forgiveness group (as described below) will have their debts (as described below and currently estimated to be in the range of \$3.3 million) to Money Mart forgiven.

Members of the transaction credit group (who do not include members of the debt forgiveness group) will share transaction credits (as described below) totalling \$1 million. Members of the transaction credit group may also receive a share of \$650,000.00 in cash less class counsel's fees (currently claimed at \$600,000.00 but subject to court approval).

Money Mart will also pay certain expenses related to the administration of the settlement.

## DEBT FORGIVENESS AND CREDIT REHABILITATION

Money Mart shall forgive 100% of all debts of settlement class members owed to it which were incurred on or before April 30, 2009 that are still outstanding on March 31, 2010, currently estimated to be in the range of \$3.3 million. Thereafter those settlement class members whose debts have been forgiven can use all of the products and services available at Money Mart stores, subject to normal qualification criteria. Any settlement class members who receive debt forgiveness shall not receive transaction credits or cash credits.

## TRANSACTION CREDITS

Each settlement class member who does not have a debt forgiven by Money Mart under the settlement will be allocated the greater of \$25 in transaction credits or his or her pro-rata share of \$1 million in transaction credits calculated on the total of that person's cheque cashing fees on Eligible Fast Cash Advance Transactions to the total cheque cashing fees paid by all settlement class members who do not have debts forgiven by Money Mart under the settlement for all their Eligible Fast Cash Advance Transactions.

Fully transferable transaction credits will be issued in \$5 increments and will expire 4 years after the date that the settlement becomes final. They will be usable in all Money Mart locations in Nova Scotia, New Brunswick or Newfoundland and Labrador for all Money Mart transactions except wire transfers, foreign exchange and money orders. A single \$5 transaction credit may be used per transaction, except for income tax preparation services in which case five \$5 transaction credits (\$25) may be used.

## CASH/CASH CREDITS

The sum of \$650,000.00 in cash will be paid for the benefit of settlement class members.

Counsel will ask the courts to approve their fee agreement with the plaintiffs and award \$600,000.00 in cash in full payment of the plaintiffs' obligations to counsel.

If cash remains after the payment of counsel fees those settlement class members who do not have debts forgiven by Money Mart under the settlement will be allocated a pro rata share of the remaining cash as a cash credit calculated on the total of that person's cheque cashing fees on Eligible Fast Cash Advance Transactions to the total cheque cashing fees paid by all settlement class members who do not have debts forgiven by Money Mart under the settlement for all their Eligible Fast Cash Advance Transactions, provided his or her pro rata share as calculated is equal to or exceeds \$10. If his or her pro rata share is less than \$10, no cash payment will be made.

## ADMINISTRATION EXPENSES

Money Mart will pay the costs of administration, including notice, distribution of settlement benefits, independent auditing and reporting to the court.

## THE APPROVAL HEARING TO CONSIDER APPROVING THE PROPOSED SETTLEMENT

The court will decide whether to approve the proposed settlement and will fix the fees, disbursements and taxes to be paid to Class Counsel at an Approval Hearing to be held **May 26, 2010 at 9:30 a.m. AST**, at:

- the courthouse in Halifax, Nova Scotia at the Nova Scotia Supreme Court (General Division), The Law Courts Building, 1815 Upper Water St., Halifax, NS;
- the courthouse in St John's, Newfoundland at the Supreme Court of Newfoundland and Labrador, St. John's Trial Division Courthouse, 309 Duckworth Street, P.O. Box 937, St. John's, NL, A1C 5M3; and
- the boardroom of the law firm of Stewart McKelvey in Moncton, New Brunswick at Suite 601, Blue Cross Centre, 644 Main Street, P.O. Box 28051, Moncton, NB, E1C 9N4.

## OBJECTIONS

Any potential class member who objects to the proposed settlement may attend the Approval Hearing in person or send a representative. **Potential class members who do not oppose the proposed settlement need not appear at the Approval Hearing or take any other action at this time to indicate their desire to participate in the proposed settlement.**

The courts will consider all objections to the proposed settlement by potential class members. Objections shall be made in writing and be sent by prepaid mail or courier to: McCarthy Tétraut LLP, Attention: John P. Brown, P.O. Box 48, Suite 5300 Toronto Dominion Bank Tower, Toronto, Ontario, Canada, M5K 1E6, on or before May 21, 2010.

Written objections shall include the following information:

- the person's name, address, telephone number, date of birth and mailing address;
- a brief statement of the objection and the reasons for the objection; and
- whether the person or a representative intends to appear at the court hearing in person or by counsel, and if by counsel, the name, address, telephone number, fax number and e-mail address of counsel.

## ADDITIONAL INFORMATION

Additional settlement information is available at the websites: <http://wagnerslawfirm.com> and <http://www.chescrosbie.com>; or by communicating with one of the Class Counsel firms acting for the class members: Crocco Hunter Purvis Johnson, which is located at 105 Cornell St., Unit 3, Woodstock, N.B. E7M 1K7; Ches Crosbie Barristers, which is located at 169 Water Street, 4th Floor, St John's NL, A1C 1B1; and Wagners, which is located at 1869 Upper Water Street, Halifax, Nova Scotia, B3J 1S9. Potential class members who consider it desirable or necessary to seek the advice and guidance of their own lawyers, do so at their own expense.

## INTERPRETATION

This notice is a summary of some of the terms of the proposed settlement. If there is a conflict between the provisions of this notice and the terms of the settlement, the terms of the settlement prevail. You may review the terms of settlement at <http://wagnerslawfirm.com> and <http://www.chescrosbie.com>. Any questions about the matters in this notice should not be directed to the court as its administrative structure is not designed to address this type of inquiry.

