

# NOTICE OF THE SETTLEMENT OF THE ONTARIO MONEY MART CLASS ACTION

Read this notice carefully as it may affect your rights.

This notice was approved by the Ontario Superior Court of Justice

**This notice is directed to all persons (“Settlement Class Members”) who received a fast cash advance or payday loan from a Money Mart store in Ontario between August 19, 1997 and December 15, 2009 which was repaid by a first party personal cheque delivered on the day the loan was obtained provided such cheque was honoured by the bank (“Eligible Fast Cash Advance Transaction”).**

**On March 3, 2010, the court approved the settlement of this class action. The settlement is a compromise of disputed claims. The defendants do not admit any wrongdoing or liability.**

The Settlement Class includes persons who moved out of the Province of Ontario before September 10, 2007 (“Non-Resident Class Members”). There is a certified class action in British Columbia that has settled subject to court approval and there are uncertified class actions in Alberta, New Brunswick, Nova Scotia and Newfoundland. Non-Resident Class Members should consider whether they wish to participate in this settlement or in a class action in one of the other provinces.

## SUMMARY OF SETTLEMENT TERMS

Money Mart will provide settlement benefits summarized as follows.

The Settlement Class is divided into two groups: (a) the debt forgiveness group and (b) the transaction credit group.

### Debt Forgiveness and Credit Rehabilitation

Money Mart will forgive 100% of all debts owed to it by debt forgiveness group members which were incurred on or before April 30, 2009 which were still outstanding on December 31, 2009, valued at \$56,388,071. Thereafter those debt forgiveness group members may use all of the products and services available at Money Mart stores, subject to normal qualification criteria. Debt forgiveness group members will not receive transaction credits or cash credits.

### Transaction Credits

Each transaction credit group member will be allocated the greater of \$25 in transaction credits or his or her pro rata share of \$30 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 transaction credit group members for all their Eligible Fast Cash Advance Transactions.

Fully transferable transaction credits will be issued in \$5 increments and will expire on April 2, 2014. They will be usable in all Money Mart locations across Canada, except stores located in the province of Quebec, 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.

After April 2, 2014 any unused transaction credits will be applied for the benefit of Money Mart customers as a credit against Money Mart’s usual and ordinary rate for a payday loan, in an amount and manner to be determined by the court, until the remaining credits are all used up.

### Cash/Cash Credits

The sum of \$27.5 million in cash will be paid in instalments on and before July 15, 2011, with interest.

Class counsel fees are a first charge against the cash payment. The court approved class counsel fees in the amount of \$14.5 million, leaving \$13 million (less the 10% payable to the Class Proceedings Fund) for distribution as cash credits. Class counsel have appealed the amount awarded to them for fees and have asked the Court of Appeal to increase the fees to an all inclusive amount of \$20 million. If they are successful, the amount available for distribution as cash credits will be reduced.

Transaction credit group members 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 transaction credit group members 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 credit will be allocated. **The cash credits allocated to transaction credit group members will be paid on or after July 15, 2011.**

Money Mart will pay any unpaid and/or unallocated cash credits and all accrued interest cy près to The Law Foundation of Ontario to fund grants in support of access to justice in Ontario.

### Class Proceedings Fund

The plaintiffs received financial support for the action from the Class Proceedings Fund. As a result, Money Mart will pay the Class Proceedings Fund \$3 million plus 10% of the cash remaining after payment of class counsel fees.

## **Administration Expenses**

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

## **DO NOTHING IF YOU WISH TO PARTICIPATE IN THE SETTLEMENT**

Settlement Class Members are automatically included in the settlement and need not do anything at this time to indicate that they wish to participate in the settlement. Settlement Class Members will release all claims against the defendants in respect of the charges on Eligible Fast Cash Advance Transactions in Money Mart stores in Ontario but not for such transactions in Money Mart stores located outside of Ontario.

## **SOME SETTLEMENT CLASS MEMBERS HAVE THE RIGHT TO OPT OUT IF THEY DO NOT WISH TO PARTICIPATE IN THE SETTLEMENT**

Settlement Class Members who entered into their first Eligible Fast Cash Advance between September 10, 2007 and December 15, 2009 or who are Non-Resident Class Members and do not wish to participate in the settlement must opt out or exclude themselves from the action. If you wish to opt out, send the Request for Exclusion form at the bottom of this notice or obtain a Request for Exclusion form from any Ontario Money Mart location or from [www.moneymart.ca](http://www.moneymart.ca) or [www.moneymartclassaction.com](http://www.moneymartclassaction.com). **You must send the signed Request for Exclusion form on or before 5:00 p.m. E.T. on June 1, 2010 to McCarthy Tétrault LLP, Attention: John P. Brown, by pre-paid mail or courier, at P.O. Box 48, Suite 5300, Toronto Dominion Bank Tower, Toronto, ON M5K 1E6 or send an email to [jbrown@mccarthy.ca](mailto:jbrown@mccarthy.ca) with the form attached.**

Persons who opt out of the class action will not be entitled to participate in the class action or the settlement. Their right to pursue a claim in a separate proceeding will not be affected. Each person who opts out will not receive any benefit from the settlement. No person will be permitted to opt out after June 1, 2010 at 5:00 ET.

For BC residents, if you opt out of this settlement, your claims in relation to your Ontario loans may proceed in the class proceeding in BC which has settled subject to court approval. If you do not opt out of this settlement, you will have no right to make any claim in the BC class proceeding concerning your Ontario loans.

## **SETTLEMENT INFORMATION AND INFORMATION ON OBTAINING SETTLEMENT BENEFITS**

After April 2, 2010 Money Mart will directly advise the debt forgiveness group about the release of debt. Information on other settlement benefits may be obtained by phoning **1-866-504-7237**, visiting the web site [www.moneymart.ca](http://www.moneymart.ca) or attending at a Money Mart store anywhere in Canada.

Detailed information about the settlement and how to obtain settlement benefits is available on the web sites at [www.moneymart.ca](http://www.moneymart.ca) and [www.moneymartclassaction.com](http://www.moneymartclassaction.com) or may be obtained by calling **1-866-504-7237**.

Questions for class counsel should be directed to: Sutts, Strosberg LLP, 600-251 Goyeau Street. Windsor ON N9A 6V4, Tel: 1.866.396.3229 (toll free), Fax: 1.866.316.5308 (toll free), E-mail: [moneymartclassaction@strosbergco.com](mailto:moneymartclassaction@strosbergco.com).

Any questions about the matters in this notice should **NOT** be directed to the court because its administrative structure is not designed to address this type of inquiry.

This notice is a summary of the terms of the Approval Order. If there is any conflict between the provisions of this notice and the terms of that order, the order shall prevail.