

DID YOU TAKE A PAYDAY LOAN FROM THE CASH STORE OR INSTALOANS IN ONTARIO ON OR AFTER SEPTEMBER 1, 2011?

Ontario Class Action Settlements have been reached. Please read this notice.

CLASS ACTION LAWSUITS WERE FILED

Class action lawsuits were filed in connection with “payday loans” offered by The Cash Store and Instalozans (collectively “The Cash Store”) in Ontario for loans made on or after September 1, 2011 (collectively “Ontario Class Actions.”) These lawsuits were filed against The Cash Store, their directors and officers, parties known as third party lenders, and a group of companies owned by or affiliated with DirectCash Payments Inc. (“DirectCash”) which provided a series of products and services in connection with the payday loans.

The lawsuits were filed on behalf of all Canadians who entered into payday loans in Ontario with The Cash Store from September 1, 2011 onward (the “Borrowers.”)

The Ontario Class Actions claim that the defendants’ payday loans had an unlawful structure and that Borrowers were charged too much money for interest on their payday loans and for other fees on credit cards, debit cards, insurance policies, bank accounts, and for other items. Among other things, the Ontario Class Actions asked the Court to order the improper fees and interest be returned to Borrowers.

CASH STORE OBTAINS CCAA PROTECTION

On April 14, 2014, The Cash Store became insolvent and obtained protection from its creditors under the *Companies’ Creditors Arrangement Act* (“CCAA”) by order of the Ontario Superior Court of Justice (Commercial List) in Toronto, Ontario (the “Court.”) The CCAA protection extends to the directors and officers of The Cash Store. The Cash Store no longer operates and all of its assets were sold while it was under CCAA protection. Claims against it are now being managed by the Court under Canadian insolvency law.

SETTLEMENTS HAVE BEEN REACHED

Lawyers for Borrowers (“Class Counsel”) in the Ontario Class Actions have reached settlements with The Cash Store, and its directors and officers, within the CCAA Proceedings. Settlements have also been reached with a number of other defendants; namely, the DirectCash parties and some of the third-party lenders of The Cash Store (collectively, “the Settling Defendants.”)

The Settling Defendants together have agreed to pay over \$10 million, plus a share of any future litigation recoveries by The Cash Store, to settle the Ontario Class Actions. In exchange, the litigation against them will end and they will be provided with a full release for all legal claims made against them (the “Ontario Settlements.”)

The Ontario Settlements will be presented to the creditors of The Cash Store in its CCAA proceedings at a creditors’ meeting, scheduled for November 10, 2015. If the creditors approve the Ontario Settlements, they will be built into a CCAA Plan of Compromise and Arrangement to be put before the Court for approval. A plan to distribute the Ontario Settlements to Ontario Borrowers will also be brought before the Court for approval (the “Settlement Distribution Plan.”) The objective of the Settlement Distribution Plan is to distribute the monetary recoveries in the Ontario Settlements to Borrowers for the costs of borrowing charged to them. To see a copy of the proposed Settlement Distribution

Plan, visit: www.ontariocashstoresettlement.com

The Court must also approve the fees of the Class Counsel. The actions have been underway since 2012. These lawyers act on a contingent fee basis: this means that they have taken the risk that they would not be paid for their legal work or reimbursed for the out-of-pocket expenses they have paid in connection with the case if the Ontario Class Actions were unsuccessful. As such, the lawyers will request that legal fees of 25% of the Ontario Settlements, plus out-of-pocket expenses and applicable taxes, be paid.

COURT APPROVALS

Motions will be brought before the Court for: a) approval of the Plan of Compromise and Arrangement containing the Ontario Settlements, including approval of the releases; b) approval of the Settlement Distribution Plan; and c) approval of Class Counsel fees, out-of-pocket expenses, and applicable taxes.

If the Court approvals are granted, Ontario Borrowers who took a loan at an Ontario location of The Cash Store, Instalozans, or one of their affiliated companies any time on or after September 1, 2011 will be eligible to make a claim for compensation under the Settlement Distribution Plan.

If you wish to object to the approvals to be sought in the Ontario Class Actions, please send your written objection to Class Counsel at the contact particulars below by November 9, 2015. The lawyers will make your objection known at the creditors’ meeting and at the settlement approval motion scheduled for 10:00 a.m. on Thursday, November 19, 2015, 393 University Ave., Toronto, in Room 708. **Please do not contact the Courts with an objection —they cannot process it.**

If you do not wish to object, you do not need to take any action at this time.

IF THE COURT APPROVALS ARE GRANTED

Public notices to Borrowers will be made to announce the opening of the claims process under the Settlement Distribution Plan in the near future so that Borrowers can claim settlement money.

All Borrowers are encouraged to find and keep any documents they may have relating to any loan from The Cash Store in Ontario on or after September 1, 2011. Those documents will help Borrowers to claim their settlement money.

CLASS COUNSEL

If you have an objection or have any questions, contact Class Counsel or visit the settlement website:

Harrison Pensa LLP, Attn: Jonathan J. Foreman
450 Talbot Street
London, ON N6A 4K3
Tel: 1.800.263.0489 ext. 608
Fax: 1.519.667.3362
cashstore@harrisonpensa.com
www.ontariocashstoresettlement.com