

(short form)

Taxpayers: Did you participate in the GLGI* Tax Shelter?

Read this Notice about a Certified Class Action

*Global Learning Gifting Initiative, Tax Shelter Registration No. TS 070003

A class action lawsuit has been certified by the Ontario Superior Court of Justice. The 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, Denis Jobin and JDS Corporation. Most of the defendants are still defending this Class Action.

You are a “Class Member” if: you participated in the Global Learning Gifting Initiative Charitable Donation program (the “Gift Program”) between 2004 - 2014, subject to the following exceptions.

You are excluded from the Class if: you are one of the defendants named in the class action, or if you are related to the defendants, or if you provided services to one or more of the defendants in respect of the creation, promotion, marketing or sale of the Gift Program, including if you were a sales agent, “fundraiser” or otherwise signed people up to participate in the Gift Program. The individuals who participated in the Tax Court trial in *Mariano v. The Queen* are also excluded from the Class.

If you fit the Class definition, then you are a Class Member and can participate in this class action even if you paid money to Merchant Law Group or signed a document called a “Contingent Fee Retainer Agreement” with that firm in relation to a different lawsuit regarding the Gift Program that has been started in Saskatchewan (the “*Piett* lawsuit”). The *Piett* lawsuit raises many of the same claims as this Class Action on behalf of the same proposed class, but has also named some other defendants such as the Canada Revenue Agency. The *Piett* lawsuit is not certified as a class action at this time, and the defendants named in the *Piett* lawsuit are objecting to that action proceeding as a class action. If the Saskatchewan court certifies that action, there will be another notice explaining what your rights are in relation to that lawsuit. If the Saskatchewan court does not certify the *Piett* action, then the *Wintercorn* action will be the only class action seeking compensation for the Class.

What is this class action about? This class action seeks to recover the money that Class Members paid to participate in the Gift Program, plus any interest or penalties assessed by CRA. The claim alleges, among other things, that the Gift Program was a sham, that it was improperly structured, that that it served no genuine charitable purpose, and that its primary purpose was to enrich the promoter and its associates. The claim asserts that the professionals assisting and advising GLGI were negligent. The defendants deny all of the allegations made against them.

For more information about the class action, please go to: www.glgiclassaction.com

What do you need to do now? Everyone who fits the Class definition is automatically included in the class action, and will be bound by its results.

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If you are a Class Member and want to participate in the lawsuit, then you do not need to do anything more at this stage. If you do not wish to participate in the class action, then you must exclude yourself by opting out (explained below).

There is NO PAYMENT necessary to participate in the class action. Class Counsel will only be paid if this class action succeeds at trial or if there is a settlement. The representative plaintiffs have entered into a retainer agreement that provides for a contingency legal fee of 30% of the total amount recovered, but no legal fees are payable until they have been approved by the court.

What claims have been settled? The Court has approved a settlement with two defendants, Denis Jobin and JDS Corporation. This settlement will not result in any payments being distributed to the Class Members. 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. Details of the settlements can be found at www.glgiclassaction.com.

The action will continue to be prosecuted against the remaining defendants.

How do I opt out? If you do not want to participate in this class action and do not wish to be bound by these settlements, or any future settlements or judgments, then you must deliver a completed opt-out form by no later than 5:00 p.m. EST on **March 6, 2020** to:

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

Opt-out forms are available at www.glgiclassaction.com or www.classaction2.com/glgi.html.

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

What if I have more questions?

Contact 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 was approved by the Ontario Superior Court of Justice. It 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.