

NOTICE OF SETTLEMENT OF PAYDAY LOAN CLASS ACTION AGAINST THE CASH STORE & INSTALOANS

Read this notice carefully as it may effect your legal rights.

The purpose of this notice.

This notice is to all residents of British Columbia who have borrowed money as a “payday loan”, “title loan”, “fixed income loan” or “signature loan” from a Cash Store or Instalozans location on or before November 1, 2009 and have repaid the loan and the standard Broker Fee charged by The Cash Store or Instalozans.

Two class actions have been certified in the Supreme Court of British Columbia against The Cash Store, Instalozans and others. These actions allege that The Cash Store and Instalozans have provided payday and title loans in a manner which is contrary to the *Criminal Code* and seek to recover monies alleged to have been unlawfully received in relation to these loans. The Defendants deny these allegations, and they remain unproven.

On February 2, 2010, the Honourable Madam Justice Dickson of the B.C. Supreme Court approved the settlement of these two class actions. The settlement does not constitute an admission by or a finding of liability against the Defendants and is a compromise of disputed claims.

Who is part of the class actions?

You are a member of the Class and entitled to participate in this settlement if you borrowed money as a “payday loan”, “title loan”, “fixed income loan” or “signature loan” from The Cash Store prior to November 1, 2009, or from Instalozans between April 21, 2005 and November 1, 2009, from a location:

1. in British Columbia;
2. outside British Columbia prior to December 2, 2008 but were a resident of British Columbia from December 2, 2008 to November 1, 2009; or
3. outside British Columbia after December 2, 2008 but were a resident of British Columbia as of November 1, 2009

and if you repaid the loan and the standard Broker Fee on or before the due date of the loan or, in the case of loans obtained from The Cash Store,

1. for loans obtained up to and including March 11, 2004, the loan and the standard Broker Fee were both repaid in full within 157 days of the loan advance or the last extension of the loan;
2. for loans obtained after March 11, 2004, the loan and Standard Broker Fee were both repaid in full within 173 days of the loan advance or the last extension of the loan; or
3. the loan was extended or rolled over at least five times;

and in the case of loans obtained from Instalogs between April 25, 2005 and November 1, 2009, the loan and Broker Fee were both repaid in full within 141 days of the loan advance.

What are the terms of the settlement?

Each Class member submitting a claim is entitled to receive a refund of up to 100% of the Broker Fees they paid plus interest, subject to reductions for legal expenses and repayment of any unpaid loans. Refunds will be paid 50% in cash and 50% in vouchers that are redeemable for cash in 3 years from their issuance or are redeemable immediately for services from a Cash Store or Instalogs location.

To fund the payment of claims, The Cash Store and Instalogs will establish a Settlement Fund of more than \$18.5 million in cash and vouchers. The precise amount of your refund will depend upon the total amount of the claims made against this Settlement Fund, may be reduced to pay your share of the legal expenses approved by the Court, and will be offset by any outstanding principal and the interest payable on any of your loans. If the amount of the Settlement Fund available to pay claims is less than the total amount of the claims made, you will receive a pro rata share of the Settlement Fund.

The complete terms and conditions of this Court approved settlement are contained in the Settlement Agreement, which is available at www.classcounsel.ca.

How do I make a claim?

To receive compensation under the settlement, each Class member must submit a Claim Form, and a copy of the required identification document as specified on the Claim Form, on or before June 17, 2010:

1. by mail to: BC Settlement Administrator
 The Cash Store Financial
 P.O. Box 566
 12222 – 137 Avenue
 Edmonton, AB T5L 4X5

2. by fax to: (780) 452-4670

A claim form will be delivered concurrently with the mailing of this notice to Class members who have been identified to their last known address. The Claim Form is also available at www.classcounsel.ca, www.cashstore.ca or www.instalogs.ca.

Class members must submit a Claim Form on or before June 17, 2010 to receive compensation under this settlement. Failure to submit a claim form on or before June 17, 2010 will forever eliminate all rights to claim/receive settlement compensation, as you will be bound by the terms of a release.

How do I exclude myself from the settlement?

If you do not want to participate in the settlement, you must complete an Opt Out form and submit it to Class Counsel by June 17, 2010. The Opt Out form is available at www.classcounsel.ca, www.cashstore.ca and www.instalogs.ca. The address of Class Counsel is set out on the Opt Out form.