

SCHEDULE "B"

DISTRIBUTION PLAN

RECITALS

This Distribution Plan was approved by the Judgment of the Honourable Mr. Justice Cullity of the Ontario Superior Court of Justice dated December 2, 2008 in the action commenced in the Ontario Superior Court of Justice, *Thompson McCutcheon v. The Cash Store Inc.*, Court File No. 06-CV-319400CP00 (Toronto), (the "Judgment").

INTERPRETATION

1. In this Distribution Plan:

- (a) **"Arbitrator"** means Weir Milne of Kerygma Reconciliation Services, 3425 Harvester Road, Burlington, Ontario, L7N 3N1, and his successor appointed from time-to-time by the Judge;
- (b) **"Claim Form"** means the form attached at Appendix 1;
- (c) **"Claims Bar Date"** means June 30, 2009;
- (d) **"Class Counsel"** means Scarfone Hawkins ^{LLP};
- (e) **"Class/Class Members"** means all persons who obtained a payday loan from The Cash Store Inc. in Manitoba, New Brunswick, Newfoundland, Nova Scotia, Northwest Territories, Ontario, Prince Edward Island, Saskatchewan or the Yukon; and all persons who obtained a payday loan from 1152919 Alberta Ltd. (o/a Instalozans) in Ontario, Manitoba or

Saskatchewan, on or before the approval date of this settlement and who, at the time that notice of this settlement is given, have repaid their loan;

- (f) **“Deadline for Opting-Out of the Action”** means June 30, 2009;
- (g) **“Judge”** means the Honourable Mr. Justice Cullity, or in the event of his unavailability, a Judge of the Ontario Superior Court of Justice designated by the Regional Senior Justice in Toronto;
- (h) **“Minimum Settlement Amount”** means \$1,500,000.00;
- (i) **“Settlement Fund”** means the fund to be established by the defendants, of \$3,000,000.00 consisting of \$1,500,000.00 in cash and \$1,500,000.00 in vouchers.

CREATION AND ALLOCATION OF THE SETTLEMENT FUND

2. The defendants shall create the Settlement Fund consisting of \$1,500,000.00 in cash and \$1,500,000.00 in vouchers. The vouchers are liquid and fully transferable and may be used for payment of future brokerage fees at The Cash Store Inc., or for the repayment of any existing outstanding brokerage fees at The Cash Store or Instalans, and do not expire.
3. The cash portion of the Settlement Fund shall be paid into an interest-bearing account with one of the Schedule 1 banks, within ten days of the Judgment.
4. The defendants will pay out the Minimum Settlement Amount without any reversion.

CLAIMS PROCESS

5. Each Class Member who wishes to apply to participate under this Distribution Plan must submit a Claim Form to the defendants,

(a) by mail:

The Cash Store Financial
P.O. Box 566
12222-137 Avenue
Edmonton, Alberta
T5L 4X5

(b) by fax:

1-780-452-4670

by the Claims Bar Date.

6. The Class Member is required to provide his or her name, address, telephone number, date of birth and location(s) where the Class Member entered into payday loan transaction(s) with The Cash Store Inc. or Instalozans, Inc.

7. All Class Members who:

(a) did not validly opt-out in accordance with the provisions of the Judgment; and,

(b) submitted a Claim Form to the defendants as set out above,

by the Claims Bar Date shall be entitled to participate in the Distribution Plan.

8. In the event that the defendants determine that a claim submitted is such that no compensation is payable thereunder, the defendants will notify the person claiming, by regular mail, of the rejection of the claim, with a copy to Class Counsel.
9. Any issue of eligibility to participate in this Distribution Plan shall be determined in summary manner by the Arbitrator.
10. Each Class Member who is entitled to participate in this Distribution Plan shall receive a payment from the Settlement Fund, paid one-half in cash and one-half by voucher, equal to his/her *pro-rata* share of the Settlement Fund on the basis of the percentage that the brokerage fees charged to the Class Member are of the total amount of brokerage fees charged to all customers.
11. Any dispute as to the entitlement of a Class Member under this Distribution Plan shall be decided by the Arbitrator in a summary manner.
12. Payments from the Settlement Fund will be made to Class Members on the first day of each business month for all claims approvals completed by the twentieth day of the previous month.
13. The claims administration process will take ninety days from date of the receipt of any claim made by the Claims Bar Date.
14. Any portion of the Settlement Fund not claimed and credits not exercised and paid-out by October 31, 2009, shall revert to the defendants, save and except that the defendants shall be required to have paid-out the Minimum Settlement

Amount, and in the event said amount has not been paid-out, then any remainder will be paid to Credit Counselling Canada.

OPT-OUTS

15. A Class Member may opt-out of the Action by sending an opt-out notice, signed by the Class Member or his/her authorized representative, stating that the Class Member opts-out and including the Class Member's name, address, telephone number and date of birth, to:

(a) by mail to: Nicholas Mastroluisi, C.A.,
Pettinelli, Mastroluisi^{LLP}
6th Floor, 1 James Street South
Hamilton, Ontario
L8P 4R5

(b) by fax to: 905-522-6574

(c) by e-mail to: nickm@petmas.ca

before the Deadline for Opting-Out of the Action.

16. Any dispute that exists with respect to valid opt-outs shall be decided by the Arbitrator in a summary manner.

CLASS COUNSEL AND ADMINISTRATION COSTS

17. The defendants shall be responsible for and make payment of all costs associated with administration of the settlement and this Distribution Plan, including payment of the costs of the Arbitrator.

18. The defendants shall be responsible for and make payment of the fees and expenses of Class Counsel, as approved by the Judge, within ten days of the Judgment.