

**SCHEDULE A-4**  
**LONG FORM NOTICE TO CLASS MEMBERS IN ENGLISH**

**LONG FORM NOTICE TO CLASS MEMBERS OF A CLASS ACTION AGAINST THE**  
**FOLLOWING GROUP RESP DISTRIBUTORS AND FOUNDATIONS**  
**(HEREINAFTER THE “DEFENDANTS”):**

- **C.S.T. CONSULTANTS INC. & CANADIAN SCHOLARSHIP TRUST FOUNDATION**
- **KALEIDO GROWTH INC.** (personally and in continuance of proceedings for **UNIVERSITAS MANAGEMENT INC.**) & **KALEIDO FOUNDATION** (personally and in continuance of proceedings for **UNIVERSITAS FOUNDATION OF CANADA**)
- **KNOWLEDGE FIRST FINANCIAL INC.** (personally and in continuance of proceedings for **HERITAGE EDUCATION FUNDS INC.**) & **KNOWLEDGE FIRST FOUNDATION**
- **HERITAGE EDUCATION FUNDS INC. & HERITAGE EDUCATIONAL FOUNDATION**
- **CHILDREN’S EDUCATION FUNDS INC. & CHILDREN’S EDUCATIONAL FOUNDATION OF CANADA**
- **GLOBAL RESP CORPORATION & GLOBAL EDUCATIONAL TRUST FOUNDATION**

**TAKE NOTICE** that by judgment rendered on March 31, 2021, as rectified on April 20, 2021, the Honourable Mr. Justice Martin F. Sheehan of the Superior Court of Quebec authorized a class action against the Defendants and appointed Mr. Qing Wang as Representative Plaintiff on behalf of Quebec residents who, at any time since July 19, 2013, signed a contract with any of the Defendants in which they were a subscriber and/or contributor (either primary or joint) for a Registered Education Savings Plan (“**RESP**”). The Class and Subclass are defined in section 2 below.

You may consult judgment authorizing the class action by clicking [here](#) or visiting the Class Counsel’s website: [WWW.LPCLEX.COM/RESP](http://WWW.LPCLEX.COM/RESP).

**1) WHAT IS THIS CLASS ACTION ABOUT?**

This class action concerns allegations that the Defendants, all of whom are Group RESP providers, charge enrollment fees that are illegal either because they are: a) in excess of the \$200.00 per plan that is allowed pursuant to subsection 1.1 (7) of *Regulation No. 15 respecting Conditions Precedent to Acceptance of Scholarship or Educational Plan Prospectuses*, CQLR, c. V-1.1, r. 44 (“**Regulation No. 15**”), which the Defendants undertook to comply with in their respective prospectuses; or b) abusive.

The Court has not yet decided whether the Representative Plaintiff’s claims are well founded, and the allegations in the class action have not yet been proven. The Defendants deny the Representative Plaintiff’s allegations and intend to fully contest the merits of the class action.

This class action will be brought in the district of Montreal.

## **2) WHO IS CONCERNED BY THIS CLASS ACTION?**

This class action was authorized on behalf of the following Class and Subclass:

### **Class**

All persons residing in Quebec who, at any time since July 19<sup>th</sup>, 2013, signed a contract with any of the Defendants in which they were a subscriber and/or contributor (either primary or joint) for a Registered Education Savings Plan (“**RESP**”), and who were charged a fee (referred to as “**Enrolment Fee**”, “**Sales Charge**” and/or “**Membership Fee**”), including the commissions of the distributor and its salesmen, exceeding \$200.00 per plan;

(hereinafter referred to as the “**Class**”)

### **Subclass:**

All persons residing in Quebec: (1) who at any time since July 19<sup>th</sup>, 2013, signed a contract with any of the Defendants in which they were a subscriber and/or contributor (either primary or joint) for an RESP; (2) who cancelled their RESP after that date; and (3) lost more than 20% of their contributions on account of Enrolment Fees, Sales Charges or Membership Fees;

(hereinafter referred to as the “**Subclass**”)

## **3) WHAT STEPS SHOULD I TAKE TO PROTECT MY RIGHTS?**

If you are part of the Class or Subclass described above, you are automatically included in this class action. **If you wish to remain a part of this class action and be included in any judgment reached, you do not have to do anything at this time.**

## **4) WHAT IS THE GOAL OF THIS CLASS ACTION?**

The goal of this class action is to obtain an order condemning the Defendants to pay the Class Members the amounts that the latter paid in enrollment fees in excess of \$200.00 per plan.

Subsidiarily, it seeks orders declaring the clause allowing for such fees abusive within the meaning of article 1437 of the *Civil Code of Quebec* (“**CCQ**”) and condemning the Defendants to reimburse the Subclass Members the amounts they paid on account of enrollment fees that were greater than 20% of their investment at time that their RESP was cancelled.

The class action is contested by the Defendants.

**5) WHAT ARE THE CLASS-WIDE ISSUES THAT THIS CLASS ACTION WILL DECIDE?**

The authorization judgment of March 31, 2021 identified the principal questions of facts and law that will be dealt with collectively as follows:

1. Did Defendants fail to comply with their undertakings in their respective prospectuses to respect *Regulation No. 15*?
2. If so, must Defendants reimburse Class members the Enrolment Fees charged above \$200.00 per plan (in violation of subsection 1.1 (7) of *Regulation No. 15*)?
3. Is the clause providing for Enrolment Fees in excess of \$200.00 per plan abusive under article 1437 CCQ and, if so, what is the appropriate remedy?
4. When does prescription start for Class and Subclass members and was prescription interrupted by the filing of Mr. Segalovich's claim?
5. Is the forfeiture of sales charges representing an amount of 20% or more of the Subclass members' total contributions abusive, and, if so, should the clause allowing such sales charges be declared null and without effect?

**6) WHAT ARE THE PRINCIPAL CONCLUSIONS SOUGHT BY THIS CLASS ACTION?**

The authorization judgment identified the conclusions sought by the class action as follows:

**GRANT** the Representative Plaintiff's class action against Defendants on behalf of all Class members;

**CONDEMN** the Defendants to pay to Mr. Qing Wang and to the members of the Class compensatory damages for the aggregate of the difference between the amounts charged per plan as enrolment fees, sales charges and/or membership fees and the legal maximum amount of \$200.00 per plan provided for under section 1.1(7) of *Regulation No. 15* and **ORDER** collective recovery of these sums;

**SUBSIDIARILY,**

**DECLARE** abusive the following clause which appears in the Defendants' contracts of adhesion in the following, or similar terms:

"You acknowledge that a sales charge of \$ \_\_\_\_\_ ( \_\_\_\_\_ units x \$200 per unit) is deducted from early contributions.

The sales charge is deducted from your contribution as follows:

All of your contributions are applied to the Sales Charge until it is one-half paid.

After that, only one half of the contributions will be applied to the Sales Charge until it is fully paid.”

**REDUCE** the obligations of Class and Subclass members arising from the abusive clause so that they only pay the maximum of \$200.00 per plan provided for under section 1.1(7) of *Regulation No. 15*;

**CONDEMN** the Defendants to pay interest and the additional indemnity on the above sums according to law from July 19<sup>th</sup>, 2016;

**ORDER** that the claims of individual Class members be the object of collective liquidation if the proof permits and alternately, by individual liquidation;

**ORDER** the Defendants to deposit in the office of this Court the totality of the sums which forms part of the collective recovery, with interest and costs;

**CONDEMN** the Defendants to bear the costs of the present action, including the cost of notices, the cost of management of claims and the costs of experts, if any, including the costs of experts required to establish the amount of collective recovery orders;

**RENDER** any other order that this Honourable Court shall determine;

## **7) CAN I SPEAK TO THE COURT ABOUT THIS CLASS ACTION?**

A Class Member may seek to intervene before the Court in this class action. The Class Member’s application for intervention will be granted if it is considered useful. If you intervene or retain counsel for this purpose, you will be responsible for any associated legal costs.

A Class Member, other than a representative plaintiff or an intervener, may not be required to pay the legal costs of the class action.

## **8) WHO REPRESENTS THE CLASS?**

The Québec Superior Court has appointed Mr. Qing Wang as Representative Plaintiff of the Class and Subclass.

The law firm LPC Avocat Inc. is Class Counsel. Class Members will not be asked to pay out-of-pocket for the legal costs arising from the class action. In general, Class Counsel is only paid if monetary benefits or other benefits are obtained for the Class.

## 9) HOW CAN I OPT-OUT OF THIS CLASS ACTION?

**If you wish to exclude yourself from this class action**, you have to notify the registry of the Superior Court of Quebec, District of Montreal by **no later than September 30, 2021**, in writing at this address:

Superior Court of Québec, 1 Notre-Dame street East, Montreal, H2Y 1B6.

You must state that you wish to exclude yourself from the class action of *Wang v. CST Consultants inc. et als.* (case no. 500-06-000932-182).

The date after which a class member can no longer request his or her exclusion from the class, unless specifically authorized by the Court, is **September 30, 2021**.

**If you opt-out**: You will not be able to participate in this class action, and you will not be bound by any judgment or eligible to participate in any settlement reached in this class action. You will keep any right you have to sue the Defendants in your own, individual case, at your own expense.

**If you do not opt-out**: You will be able to participate in this class action, and you will be bound by any judgement or settlement reached in this class action.

## 10) WHERE CAN I GET MORE INFORMATION?

You may register with Class Counsel to receive updates on the progress of this class action. You can do this by visiting Class Counsel's website at [WWW.LPCLEX.COM/RESP](http://WWW.LPCLEX.COM/RESP). You may also contact Class Counsel, whose contact information appears below. Your name and any information provided to Class Counsel will be kept confidential. **Please do not contact the Judges of the Superior Court:**

LPC Avocat Inc.  
Mtre. Joey Zukran  
276 Saint-Jacques Street, Suite 801  
Montreal, Quebec, H2Y 1N3  
Phone: (514) 379-1572  
Fax: (514) 221-4441  
Email: [jzukran@lpclex.com](mailto:jzukran@lpclex.com)

**THE PUBLICATION OF THIS NOTICE TO CLASS MEMBERS HAS BEEN APPROVED AND ORDERED BY THE SUPERIOR COURT OF QUÉBEC.**