

**NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION
REGARDING BANYAN TREE FOUNDATION
LEVERAGED CHARITABLE DONATION PROGRAM**

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

PURPOSE OF THIS NOTICE

This notice is to all individuals who participated in the Banyan Tree Gift Program for the taxation years 2003, 2004, 2005, 2006 and 2007.

In 2008, the plaintiffs commenced a proposed class proceeding against Rochester Financial Limited, Promittere Capital Group Inc., Promittere Asset Management Inc., Banyan Tree Foundation and Fraser Milner Casgrain LLP, in the Ontario Superior Court of Justice, Court File No. 08-CV-349792.

On January 19, 2010, the Ontario Superior Court of Justice certified this action as a class proceeding.

The representative plaintiffs in the class proceeding have reached a proposed settlement with the defendants on behalf of all Class Members, subject to obtaining necessary court-approval. The settlement is a compromise of disputed claims.

TERMS OF PROPOSED SETTLEMENT

The Plaintiffs will be requesting a declaration from the court that all promissory notes in favour of 1106999 Ontario Limited, Rochester Financial Limited and any other lender who provided loans under the Gift Program, are void and unenforceable against Class Members.

The defendants agree to establish a Settlement Fund of \$11,000,000.00. Each Class Member will be paid a portion of the Settlement Fund on a *pro-rata* basis in accordance with participation in the Banyan Tree Gift Program.

Pursuant to the terms of the proposed settlement, \$350,000.00 will be set aside for claims administration costs to be paid from the Settlement Fund.

The Court will be asked to approve a Counsel Fee of \$2,750,000.00, representing 25% of the Settlement Fund, plus payment of disbursements and applicable taxes.

The Court will also be asked to approve proposed compensation to be paid to the representative plaintiffs, Kathryn and Rick Robinson.

The Settlement Agreement and Distribution Plan will be published at www.classactionlaw.ca prior to the hearing date.

COURT HEARING

The Court will be asked to approve the proposed settlement as recommended by the representative plaintiffs, Class Counsel and the defendants and their counsel.

A court hearing will be held on **January 17, 2012**, at 10:00 a.m. EST, at 361 University Avenue, Toronto.

Class Members who do not oppose the proposed settlement do not need to appear at the hearing or take any action at this time. Class Members are bound by the terms of settlement if approved.

OBJECTIONS TO THE PROPOSED SETTLEMENT

At the hearing, the Court may consider any objections to the proposed settlement by Class Members. Class Members may, but need not, submit any objections in writing to Class Counsel on or before **January 6, 2012**:

BY MAIL TO:

**THE BANYAN TREE CLASS ACTION
SCARFONE HAWKINS LLP**

Barristers & Solicitors
One James Street South, 14th Floor, P.O. Box 926, Depot #1
Hamilton, Ontario, L8N 3P9

ATTENTION: DAVID THOMPSON/ MATTHEW G. MOLOCI

OR BY FAX TO: 1-905-523-5878

OR BY EMAIL TO: banyanclassaction@shlaw.ca

A written objection should include the following information:

- (a) the Class Member's name, address, telephone number, fax number, mail and e-mail address;
- (b) a brief statement of the nature of and reason for the objection; and
- (c) whether the Class Member intends to appear at the hearing in person or by counsel and, if by counsel, the name, address, telephone number, fax number mail and e-mail address of counsel.

Any objections to the settlement will be filed with the court and may be considered at the January 17, 2012 hearing.

If the Court approves the proposed settlement, all Class Members will be bound by the terms of the settlement, unless they have previously opted-out. If the proposed settlement is approved, there will be a further court-approved Notice detailing the settlement administration process.

ADDITIONAL INFORMATION

Questions for Class Counsel should be directed in writing or telephone to:

Scarfone Hawkins LLP

Barristers and Solicitors
One James Street South, 14th Floor, P.O. Box 926
Depot #1
Hamilton, Ontario, L8N 3P9

Attention: David Thompson/Matthew G. Moloci

Tel: 905.526.4394

Fax: 905.523.5878

E-mail: banyanclassaction@shlaw.ca

ADDITIONAL INFORMATION REGARDING THE SETTLEMENT CAN BE FOUND AT WWW.CLASSACTIONLAW.CA

THIS NOTICE HAS BEEN APPROVED BY THE ONTARIO SUPERIOR COURT OF JUSTICE.
QUESTIONS ABOUT THIS NOTICE SHOULD NOT BE DIRECTED TO THE COURT.