

**IN THE MATTER OF THE PHOENIX FINANCIAL CLASS ACTION
LITIGATION**

NOTICE OF CERTIFICATION

NOTICE OF SETTLEMENT APPROVAL

**PLEASE READ THIS NOTICE CAREFULLY. IT MAY AFFECT YOUR
LEGAL RIGHTS.**

TO: Any person or entity who deposited, invested, or contributed funds in, through, with or to CCI Canada Ltd., CCI Capital Corp., CCI Investments Inc., and/or Phoenix Financial Group Inc. and who were clients of, received advice from, were solicited by, or received representations from Jim Wilson, 1009863 Ontario Inc. (c.o.b. as Wilson Insurance and Financial Services) or 1545182 Ontario Inc., excluding the Defendants and their officers, directors, shareholders, employees, agents, partners and spouses and persons or entities who opt out of the Action. (hereinafter the "Class" or "Class Members").

I. THE PURPOSE OF THIS NOTICE

A class proceeding lawsuit has been initiated in Ontario against CCI Capital Canada Limited, CCI Capital Corp., CCI Investments Inc., Centurion Developments Ltd., Ravi Chaudhary, Robert James Emerson, Environment Regeneration Systems Inc., IPO Capital Corp., Integrated Business Concepts Inc., Ricardo Molinari, Niddrie & Associates Ltd. (c.o.b. as "Wilson Insurance and Financial Services"), Northern Financial Corporation, Northern Securities Inc., Phoenix Financial Group Inc., Phoenix Financial Group (2000) Inc., Vince Villanti, James Wilson, 1009863 Ontario Inc. (c.o.b. as "Wilson Insurance and Financial Services") and 1545182 Ontario Inc. (c.o.b. as "Wilson Insurance Brokers") (the "Defendants"), in which it is alleged that, among other things, the Defendants were involved in a conspiracy to improperly solicit deposits from members of the public (referred to as the "Action"). The Action has previously been discontinued as against Northern Financial Corporation and Northern Securities Inc.

In the Action, the plaintiffs seek compensatory and aggravated, exemplary and punitive damages from the defendants, as well as declarations that assets received by the defendants from the plaintiffs or Class Members are held in trust for the plaintiffs and Class Members. These claims arise from the alleged solicitation and collection of investments in CCI Capital Corp., CCI Investments Inc., CCI Capital Canada Inc. and Phoenix Financial Group Inc. through James Wilson and entities under his control, including 1009863 Ontario Inc. (c.o.b. as "Wilson Insurance and Financial Services").

This notice is to advise you of the certification of this action as a class proceeding, the approval of two settlements, and to inform you of your rights as a Class Member. You will be bound by the terms of the settlements and the outcome of the litigation against the Non-Settling Defendants unless you exclude yourself by opting out of the Agreement. Opting out is explained below.

The Action was certified as a class proceeding (for settlement purposes only with respect to the Settling Defendants) by the Superior Court of Justice on [October 16, 2008](#).

II. THE SETTLEMENTS

Settlements have been reached with the Defendants Niddrie and Associates Ltd. ("Niddrie") and IPO Capital Ltd. ("IPO") (together, the "Settling Defendants"). The Superior Court of Justice approved those settlements on [October 16, 2008](#).

Under the terms of those settlement agreements, Niddrie has agreed to pay a total of \$50,000 and IPO has agreed to pay a total of \$115,000. In exchange for these payments, each of the Settling Defendants will obtain a full release of claims against them in the Action.

The Court has approved Class Counsel's request to apply a portion of these funds to its disbursements incurred in the litigation to date. The balance will be held in trust for the benefit of the Class until such time as additional funds are available for distribution to the Class, or until the litigation is concluded.

The Settling Defendants do not admit any wrongdoing or liability on their part. The settlements represent a compromise of disputed claims.

III. CERTIFICATION AGAINST THE REMAINING DEFENDANTS

By order dated [October 16, 2008](#), the Court has certified the Action as a class proceeding against CCI Capital Canada Limited, CCI Capital Corp., CCI Investments Inc., Centurion Developments Ltd., Ravi Chaudhary, Robert James Emerson, Environment Regeneration Systems Inc., Integrated Business Concepts Inc., Ricardo Molinari, Phoenix Financial Group Inc., Phoenix Financial Group (2000) Inc., Vince Villanti, James Wilson, 1009863 Ontario Inc. (c.o.b. as "Wilson Insurance and Financial Services") and 1545182 Ontario Inc. (collectively, the "Non-Settling Defendants")

The Plaintiffs are continuing to pursue their claims and the claims of Class Members against the Non-Settling Defendants.

IV. OPTING OUT OF THE ACTION

If you would like to exclude yourself from the Action, you must opt out by faxing, couriering or mailing a signed letter indicating

- i) the outstanding amounts of your deposits in CCI Capital Corp., CCI Investments Inc., CCI Capital Canada Inc. and Phoenix Financial Group Inc., and the dates that such investments were made; and
- ii) that you intend to exclude yourself from the class action.

The Opt-Out Form must be received by Class Counsel on or before **December 29, 2008** at the following address:

Siskinds LLP
680 Waterloo Street
London, ON N6A 3V8
Fax: (519) 672-6065

Attn: Phoenix Financial Class Action

A Class Member who opts out of the Action will not be entitled to participate in any distribution of the amounts paid by the Settling Defendants, nor of any additional amounts ultimately collected from the Non-Settling Defendants as the litigation continues.

A Class Member who does not timely and properly opt out of the settlement will be forever barred from instituting or continuing any action against the Settling Defendants and/or Released Parties relating to allegations that, among other things, the Settling Defendants were involved in the improper solicitation of deposits from members of the public.

In addition, a Class Member who does not opt out of the action will be bound by the Court's determination of the common issues in the Action as against the Non-Settling Defendants, regardless of whether the plaintiffs are successful or unsuccessful in those claims.

UNLESS YOU WISH TO OPT OUT, YOU ARE NOT REQUIRED TO DO ANYTHING AT THIS TIME.

V. CLASS COUNSEL

The law firm of Siskinds ^{LLP} represents the plaintiffs, Huguette Genier and John H. Welsh, and Class Members in this Action. Class Counsel can be reached toll free at 1-800-461-6166 ext. 2380 or by mail at 680 Waterloo Street, London, Ontario N6A 3V8. Any inquiries concerning the Action should be directed to Siskinds.

Each of the plaintiffs has executed a retainer agreement with Siskinds that provides that Siskinds will only be paid in the event of success in the Action. Success is defined as a settlement or judgement that benefits one or more Class Members. In the event of success, the Plaintiffs have agreed that Siskinds may request a fee of 25% of any such settlement or judgment, plus applicable taxes and disbursements. Any legal fee sought by Siskinds will be subject to Court approval.

VI. QUESTIONS ABOUT THE SETTLEMENTS

If you would like a copy of the settlement agreements or have questions, you can call Plaintiff's Counsel Information Line at 1-800-461-6166, ex 2380. This notice contains only a summary of the settlements and Class Members are encouraged to review the settlement agreements themselves. Copies of the settlement agreements can be obtained free of charge at

www.classaction.ca or it can be mailed to you at a cost of \$20, which represents the cost of photocopying and mailing. INQUIRIES SHOULD NOT BE DIRECTED TO THE COURT.

VII. **INTERPRETATION**

This notice contains a summary of some of the terms of the settlements and the Court's orders. If there is a conflict between the provisions of this notice and the settlement agreements, or applicable orders, the terms of the settlement agreements and/or orders shall prevail.

**THIS NOTICE HAS BEEN AUTHORIZED BY THE ONTARIO
SUPERIOR COURT OF JUSTICE**