

Short Form Notice of Hearing

NOTICE OF HEARING FOR PARTIAL CERTIFICATION AND SETTLEMENT APPROVAL

**Fortress Syndicated Mortgages Class Actions in respect of Collier
Centre, Barrie
Harmony Simcoe/The Kemp, Barrie
Orchard, Calgary
Sutton/The Link, Burlington
Ten88 Progress, Toronto**

You are receiving this notice because you invested in a syndicated mortgage loan in respect of one or more of the following developments:

- the **Collier Centre Project First Syndicated Mortgage only**, (i.e. investments prior to January 30, 2015) located at 90 Collier Street and 55 Mulcaster Street, Barrie, Ontario, in respect of the charge registered as Instrument SC1005953;
- the **Harmony Simcoe/The Kemp Project**, located at 51, 53, 55 and 75 Bradford Street, Barrie, Ontario, in respect of the charge registered as Instrument SC983678.
- the **Sutton/The Link Project**, located at 5210, 5218, 5226, 5236 Dundas Street and 2500 Burloak Drive in Burlington, Ontario in respect of the charges registered as Instruments HR1062915, HR1163232, or HR1174204;
- the **Orchard Project** located at 602, 606, 610, 620, 624, 626 and 628 12th Avenue S.E., in Calgary, Alberta in respect of the charge registered as Registration Number 141 112 373;
- the **Progress/Ten88 Project**, located at 1088 Progress Avenue, Toronto, Ontario in respect of the charge registered as Instrument AT3101004.

Class actions have been commenced in respect of these five developments. Because you invested in a Fortress syndicated mortgage loan in respect of one or more of these developments, you are a class member in the relevant action.

A Partial Settlement has been reached with the Defendants, Derek Sorrenti, Grant Morgan, and Sorrenti Law Professional Corporation (together, the “Sorrenti Defendants”). The actions will be continuing against all other Defendants named in these actions who have not already settled the claims brought against them.

The Settlement Agreement is posted at: <https://www.sotosclassactions.com/current-cases/> under the Fortress Class Actions Documents tab.

Under the terms of this Settlement, the Sorrenti Defendants will pay a single settlement fund totaling **\$1,648,725**, as a full and final settlement of the claims made against them. The settlement fund is being paid by the Sorrenti Defendants’ insurer, and is all of their remaining available funds under their professional liability insurance policy.

The settlement funds will be paid out to the Class members in these five actions “pari passu”, which means that the funds will be allocated based upon the total amount of the principal advanced by each Class member in each of the projects.

Before the settlement is final, it has to be approved by the Ontario Superior Court of Justice. The court hearing to decide if these actions should be allowed to proceed as class actions (“certified”) as against the Sorrenti Defendants, and to decide if the Partial Settlement is fair, reasonable and in the best interest of the Classes, and therefore should be approved is scheduled for Monday, **June 2, 2025**, and will be heard by videoconference.

None of the allegations made against the Sorrenti Defendants in these actions have been proven in court, and the Sorrenti Defendants deny all the allegations that have been made against them. If a settlement had not been reached, the Sorrenti Defendants would be defending the Class Actions and opposing the certification of these actions as class proceedings. The settlement is a compromise of the parties’ positions and is not an admission of liability or fault by the Sorrenti Defendants.

Your legal rights will be impacted if the Partial Settlement is approved. You have the right to either attend at the settlement approval hearing or to make written submissions to the Court about the Settlement Agreement or the legal fees sought by Class Counsel. You can contact Class Counsel at the addresses referenced below for more details, or to obtain a copy of the videoconference link for the approval hearing, or to express your opinion on the settlement.

Legal Fees of Class Counsel

At the same time as the hearing for certification and approval of the Settlement Agreement, the Plaintiffs’ lawyers will ask the Court to approve their legal fees and expenses to be paid out of the Settlement Funds. The legal fees requested will be 25% of the Settlement Fund, plus taxes and their incurred disbursements.

Class Counsel will also request approval from the Court to hold back \$100,000 from the Settlement Funds to pay for the expenses related to the ongoing prosecution of these actions against the remaining Defendants, and to cover any potential adverse cost awards that might be made in favour of the remaining non-settled Defendants.

Questions about this Notice, or the Partial Settlement should be directed to:

MSTW Professional Corporation Barrister and Solicitor 36 Toronto Street, Suite 1120 Toronto, ON M5C 2C5 mwine@mstwlaw.com Tel: 416-477-5524 Fax: 416-477-1657	SOTOS LLP 55 University Ave, Suite 600 Toronto, ON M5J 2H7 namaya@sotos.ca Tel: 1-888-684-5545 (toll-free)
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The Ontario Superior Court of Justice has authorized distribution of this Notice, however, questions about this Notice should NOT be directed to the Court.