

Court File No.

CV-11-432919 00CP

ONTARIO

SUPERIOR COURT OF JUSTICE

BETWEEN:

BOB BRIGAITIS and CINDY RUPERT

Plaintiffs

and



IQT, LTD., c.o.b. as IQT SOLUTIONS, IQT CANADA, LTD., JDA PARTNERS LLC, IQT, INC., ALEX MORTMAN, DAVID MORTMAN, JOHN FELLOWS, RENAE MARSHALL, and BRAD RICHARDS

Defendants

NOTICE OF ACTION

PROCEEDING UNDER THE *CLASS PROCEEDINGS ACT, 1992, S.O. 1992, C.6, as amended*

TO THE DEFENDANTS

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the plaintiff. The claim made against you is set out in the statement of claim served with this notice of action.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or an Ontario lawyer acting for you must prepare a statement of defence in Form 18A prescribed by the Rules of Civil Procedure, serve it on the plaintiff's lawyer or, where the plaintiff does not have a lawyer, serve it on the plaintiff, and file it, with proof of service, in this court office, **WITHIN TWENTY DAYS** after this notice of action is served on you, if you are served in Ontario.

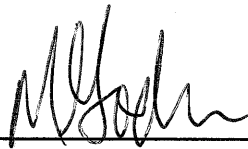
If you are served in another province or territory of Canada or in the United States of America, the period for serving and filing your statement of defence is forty days. If you are served outside Canada and the United States of America, the period is sixty days.

Instead of serving and filing a statement of defence, you may serve and file a notice of intent to defend in Form 18B prescribed by the Rules of Civil Procedure. This will entitle you to ten more days within which to serve and file your statement of defence.

IF YOU FAIL TO DEFEND THIS PROCEEDING, JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO DEFEND THIS PROCEEDING BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date: Aug. 16, 2011

Issued By:



AR REORTMAN

Address of Court Office:

393 University Ave. - 10th Fl.
Toronto, Ontario
M5G 1E6

TO: IQT, LTD., c.o.b. as IQT SOLUTIONS
199 Wentworth Street East
Oshawa, Ontario
L1H 3V6

AND TO: IQT CANADA, LTD.
199 Wentworth Street East
Oshawa, Ontario
L1H 3V6

AND TO: JDA PARTNERS, LLC
100 Park Avenue, Suite 1600
New York City, New York
U.S.A.
10016

AND TO: IQT, INC.
100 Park Avenue, Suite 1600
New York, New York

U.S.A.
10017

AND TO: David Mortman
c/o JDA Partners LLC
100 Park Avenue, Suite 1600
New York City, New York
U.S.A.
10016

AND TO: Alex Mortman
c/o JDA Partners LLC
100 Park Avenue, Suite 1600
New York City, New York
U.S.A.
10016

AND TO: John Fellows
8605 Baltusrol Drive
Flower Mound, Texas
U.S.A.
75022

AND TO: Renae Marshall
1648 Dorcas Point Road
Nanoose Bay, British Columbia
V9P 9B4

AND TO: Brad Richards
32 Willowleaf Drive
Littleton, Colorado
U.S.A.
81027

CLAIM

1. The plaintiffs' claim on their own behalf and on behalf of the members of the class, against all of the defendants for:

- (a) An Order certifying this action as a class proceeding and appointing them representative plaintiffs of the class;
- (b) A Declaration that all defendants wrongfully dismissed all employees of IQT, Ltd. in Ontario;
- (c) Damages in the amount of twenty million dollars for wrongful dismissal and outstanding wages, vacation pay, benefits;
- (d) Aggravated Damages in the amount of five million dollars;
- (e) Punitive Damages in the amount of five million dollars;
- (f) Pre-judgment interest pursuant to the *Courts of Justice Act, R.S.O. 1980, c.43, s.128*;
- (g) Costs of this action on a substantial indemnity basis;
- (h) Such further and other relief as this Honourable Court deems just.

2. The plaintiff, Bob Brigaitis, resides in Oshawa, Ontario. At all material times he was an employee and operations manager of IQT, Ltd. As a result of the closure of the call centre, Mr. Brigaitis was dismissed without receiving outstanding pay, outstanding vacation or any notice, contrary to sections 54, 57, 58, 60, 61, 62, 63, 64 and 66 of the *Employment Standards Act, 2000, S.O. 2000, C.41*.

3. The plaintiff, Cindy Rupert, resides in Oshawa, Ontario. At all material times she was an employee and operations manager of IQT, Ltd. As a result of the closure of the call centre, Ms Rupert was dismissed without receiving outstanding pay, outstanding vacation or any notice, contrary to sections 54, 57, 58, 60, 61, 62, 63, 64 and 66 of the *Employment Standards Act, 2000*, S.O. 2000, C.41.
4. The plaintiffs bring this action on behalf of all employees of IQT, Ltd. who were all wrongfully dismissed.
5. The defendant IQT, Ltd. is a corporation incorporated under the laws of Ontario, carrying on business as IQT Solutions, and operates a marketing communications centre (customer call centre) located at 199 Wentworth Street East in Oshawa, Ontario. IQT, Ltd. was the employer of all employees at the Oshawa call centre on July 15, 2011. At the time of the employees' dismissal, John Fellows, David Mortman, Alex Mortman, Renae Marshall and Brad Richards were the officers and directors of IQT, Ltd. As of July 15, 2011, the shareholders of IQT, Ltd. were JDA Partners, LLC and/or in addition, IQT, Inc., John Fellows, David Mortman and Alex Mortman.
6. The defendant IQT Canada, Ltd is a corporation incorporated under the laws of Ontario, located at 199 Wentworth Street East in Oshawa, Ontario. As of July 15, 2011, the shareholders of IQT, Ltd. were JDA Partners, LLC, IQT, Inc. and/or in addition, John Fellows, David Mortman and Alex Mortman.

7. The defendant JDA Partners, LLC is a corporation that was in complete control of the business activities of IQT, Ltd and IQT Canada, Ltd. (hereinafter the “Canadian companies”). It is a company incorporated under the laws of the state of New York, U.S.A. and operates a boutique investment banking firm located at 100 Park Avenue, Suite 1600, New York, New York, U.S.A. The shareholders of JDA Partners, LLC are David Mortman, Alex Mortman and John Fellows.

8. The defendant IQT, Inc. is a corporation incorporated under the laws of the state of Delaware, U.S.A. and is located at 100 Park Avenue, Suite 1600, New York, New York, U.S.A. If JDA Partners, LLC was not in complete control of the Canadian companies, then alternatively IQT, Inc. was. The officers of IQT, Inc. are John Fellows, David Mortman and Alex Mortman. The shareholders of IQT, Inc. are John Fellows, David Mortman and Alex Mortman and/or JDA Partners LLC.

9. The defendant Alex Mortman is a resident of the city of New York in the state of New York and was at all material times an officer, director and shareholder of the corporate defendants as hereinbefore described.

10. The defendant David Mortman is a resident of the city of New York in the state of New York and was at all materials times an officer, director and shareholder of the corporate defendants as hereinbefore described.

11. The defendant John Fellows is a resident of Flower Mound, Texas and was at all material times an officer, director and shareholder of the corporate defendants as hereinbefore described.
12. The defendant Renae Marshall is a resident of Nanoose Bay, British Columbia and was at all material times a director of the Canadian companies.
13. The defendant Brad Richards is a resident of Littleton, Colorado and was at all materials times an officer and the Chief Financial Officer of the Canadian companies.
14. IQT, Ltd. ("IQT") operated a call centre for Bell Canada, located at 199 Wentworth Street East, Oshawa, Ontario. The call centre consisted of approximately 600 employees of IQT. On July 15, 2011 all the employees were let go without any notice and without payment of outstanding wages, vacation pay or expenses. Their benefits were also discontinued.
15. The plaintiffs state that the officers and directors of IQT, its shareholders and affiliated companies were operating IQT as one economic unit and as one group enterprise, such that all defendants are jointly and severally liable for all damages arising out of the wrongful dismissal of IQT's Ontario employees.
16. The plaintiffs state that IQT and Bell Canada had a service agreement where IQT would supply employees for Bell Canada's call centre and in exchange Bell Canada paid a monthly or bi-monthly fee to IQT.

17. The plaintiffs state that Bell Canada owes IQT outstanding payments of approximately one million dollars which are impressed with a trust in favour of employees, to fund their outstanding wages, vacation pay and severance.
18. The plaintiffs state that all defendants conspired together to strip IQT of all of its revenues and assets, which otherwise would have been available to fund a severance package for employees.
19. The plaintiffs and the other class members have sustained damages, including loss of wages, benefits, vacation pay, severance, expenses and bonuses as a result of the closure of IQT Call Centers for which the defendants are jointly and severally liable.
20. The plaintiffs plead and rely upon the provisions of the *Employment Standards Act, 2000*, S.O. 2000, C.41 and the *Negligence Act* R.S.O. 1990 c.N.1.
21. The plaintiffs propose that this action be tried in the **City of Toronto**, in the Province of Ontario.
22. Pursuant to Rule 17.04(1), the plaintiffs plead and rely on Rules 17.02(f), 17.02(g), 17.02(h), 17.02(o) and 17.02(p) of the *Rules of Civil Procedure* in support of service of the Statement of Claim outside of Ontario without a court order.

Date: *Aug. 16, 2011*

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BOB BRIGAITIS AND CINDY RUPERT

-and-

IQT, LTD., IQT CANADA, LTD. ET AL.

Court File No:

N-11-432919 00CP

Plaintiffs

Defendants

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceedings commenced in TORONTO

NOTICE OF ACTION

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