CITATION: Wang et al v. Goeasy Ltd. et al, 2026 ONSC 6158
COURT FILE NOS.: CV-26-00005487-00CP and CV-26-00005743-00CP and CV-26-00007899-00CP
DATE: 20261030

ONTARIO
SUPERIOR COURT OF JUSTICE

Court File No. CV-26-00007899-00CP	)	
	)	
BETWEEN:	)	
	)	
MOHSEN-UL ALAM CHOWDHURY	)	*Eli Karp, Sage Nematollahi, Hadi Davarinia,* and *Taek Soo Shin*, for the Plaintiffs
Plaintiffs	)	
– and –	)	
	)	
GOEASY LTD., JASON MULLINS, HALIM KHOURI, DAVID INGRAM, DAN REES, ALI METEL, KAREN BASIAN, DAVID APPEL, SEAN MORRISON, JAMES MOORE, JONATHAN TÉ TRAULT and ERNST & YOUNG LLP	)	*Melanie Ouanounou,* for the Defendants *Paul-Erik Veel* and *Nicole Naglie*, for Ernst & Young LLP
Defendants	)	
	)	
Court File No. CV-26-00005743-00CP	)	
	)	
AND BETWEEN:	)	
	)	
GORDON ENRIGHT, JOSEPH CHAN and DARYL ROCK	)	*Paul Guy, Golnaz Nayerahmadi, Peter Jervis, Joel P. Rochon, Douglas Worndl, Serge Kalloghlian, Pritpal Mann, Jesscia Marshall* and *Sophie Chase*, for the Plaintiffs
Plaintiffs	)	
-and-	)	
	)	
GOEASY LTD., VYCO LTD., DONALD K. JOHNSON, DAVID INGRAM, KAREN BASIAN, DAVID HARRY APPEL, SEAN MORRISON, HON. JAMES MOORE, TARA DEAKIN, JONATHAN TETRAULT, RADHIKA KAKKAR, JASON	)	*Melanie Ouanounou,* for the Defendants *Paul-Erik Veel* and *Nicole Naglie*, for Ernst & Young LLP

MULLINS, DAN REES, PATRICK ENS, HALIM KHOURI, FELIX WU, ALI METEL, JASON APPEL, MICHAEL EUBANKS and ERNST & YOUNG LLP Defendants	)	
Court File No. CV-26-00005487-00CP **AND BETWEEN:** YULUN WANG and CHAO LIANG Plaintiffs **– and –** GOEASY LTD., JASON MULLINS, DAN REES, HAL KHOURI, DAVID INGRAM, KAREN BASIAN, ALI METEL, and ERNST & YOUNG LLP Defendant	)	*Michael Robb, Jay Strosberg, Scott Robinson, Garett Hunter,* and *Justin Smith* *Melanie Ouanounou,* for the Defendants *Paul-Erik Veel* and *Nicole Naglie*, for Ernst & Young LLP **HEARD: October 22, 2026**

Proceedings under the *Class Proceedings Act, 1992*

REASONS FOR DECISION ON CARRIAGE MOTION

LEIPER, J.

Introduction and Background

[1] Three actions[1] seek carriage of a proposed class proceeding to prosecute investors' claims against subprime lender goeasy Ltd. ("Goeasy"), certain of its directors and officers, and Goeasy's auditor, Ernst & Young ("EY"). The *Enright* action also seeks to include the corporate insider, 18% shareholder, Vyco Ltd.

[1] *Chowdhury v. goeasy Ltd.*, *Enright v. goeasy Ltd.*, and *Wang v. goeasy Ltd.*

[2] Each action asserts statutory and common law remedies on behalf of investors for losses linked to Goeasy's share price decline after a third party and Goeasy disclosed inaccurate reporting of loan receivables in the Goeasy LendCare unit ("LendCare").

[3] On September 25, 2025, a short seller by the name of "Jehoshaphat Research" ("JR") published a report alleging that Goeasy's LendCare unit had delayed reporting its credit losses and loan delinquencies. The JR September publication prefaced its analysis with the following:

> WHERE DID GOEASY'S CREDIT LOSSES GO?
>
> *"It's not playing with the books, but, well, you know…" – Former goeasy employee*
>
> After months of studying GSY's accounting, we have concluded that this Canadian subprime lender is sitting on ~$300m worth of improperly delayed credit losses and unreported serious delinquencies that have been buried in the balance sheet like dead bodies in the snow. It's a classic subprime loan time bomb.
>
> In just the past year, this company appears to have changed its accounting rules for charge-offs, credit risk scoring, and expense recognition; see one brief example in the image below. We believe these actions have cumulatively pushed hundreds of millions' worth of bad debt and other expenses into the future, shifting these problems to future executives. And you can see it in the numbers: As soon as GSY changes one of these accounting mechanisms, the associated "bad guy" (credit loss, risk category, etc.) shrinks, but a related asset category inflates, far from the prying eyes of investors focused on the income statement. It's added up to cost zombies piling up in the balance sheet, to arise and flow through EPS later.
>
> Separately, GSY seems to use a bizarrely narrow definition of "delinquent," which probably tells you why its "delinquency" rate is so much better than subprime lending peers with stronger borrower credit profiles. There is a "secret sauce" here, but it's not underwriting genius, it's accounting wizardry.
>
> And while investors have cheered a recent reversal in reported delinquencies, GSY's "true" delinquency rate, in our analysis, has been skyrocketing of late: The reported net charge-off rate of 9% should be more like 15%, a difference large enough to undo every aspect of the GSY bull case. Much of this contagion is happening in the supposedly safer Secured portfolio, where this company has taken far more credit risk than investors realize.
>
> This can't go on much longer, and we suspect the CFO's recent, sudden notice is not unrelated to that.

[4] Goeasy's share price fell approximately 15 percent within two days of JR's release of this report. The *Enright* action estimates that the share price decline represented close to $500 million in losses to Goeasy's shareholders (measured against Goeasy's approximately $3.28 billion market capitalization prior to the JR report).

[5] On September 24, 2025, Goeasy issued a press release describing the JR publication as a "false and malicious" attack from a short seller poised to benefit from Goeasy's share price decline.

Goeasy stated in the press release, "We categorically deny and refute the characterizations and conclusions presented in this report."

[6] However, on March 10, 2026, Goeasy issued a press release correcting its reporting practices, announcing write-downs to its loan receivables and alerting the market to upcoming corrections to its Q4 guidance and three-year forecast.

[7] Four actions (*Enright*, *Small*, *Dodds* and *Wang*) were initiated shortly after the Goeasy March 10 press release. On March 17, 2026, Rochon Genova ("RG"), counsel to the *Enright* action initiated a parallel action in Quebec (the "*Vellucci* action") along with Woods LLP, a Montreal litigation boutique.

[8] On March 31, 2026, Goeasy restated its financial statements for Q1 2024 through Q3 2025.

[9] A fourth action, *Chowdhury*, was initiated on April 22, 2026.

[10] On May 1, 2026, at the request of counsel, I issued an order discontinuing the *Dodds* action. On May 8, 2026, at the request of counsel, I issued an order discontinuing the *Small* action. Former counsel to the *Small* action entered into a consortium agreement with RG, counsel to *Enright*.

[11] Each of the remaining actions seeks relief for secondary and primary market security holders, by way of statutory remedies under Part XXIII.1 and Part XXIII of the *Securities Act*, R.S.O. 1990, c. S.5 (the "*OSA*").

[12] The actions differ in their proposed class periods, the named defendants and in additional causes of action pleaded over and above the *OSA* claims. The *Enright* action materials provided a chart outlining those differences, which I summarize below:

	***Enright* Action**	***Wang* Action**	***Chowdhury* Action**
Start date for the class period	August 5, 2021, goeasy's release of the first core documents after the LendCare acquisition.	May 9, 2023, the date of the release of the first core documents within Part XXIII.1 three-year limitation period.	April 30, 2021, the date of the goeasy acquisition of LendCare.
Class definition	Holders of shares and notes purchased on the primary and secondary markets.	Holders of shares and notes purchased on the primary and secondary markets, but omits five of eight primary offerings in Enright and Chowdhury.	Holders of shares and notes purchased on the primary and secondary markets.

Additional causes of action (All three actions plead Part XXIII claims and negligent misrepresentation)	Oppression for the extended period outside the statutory three-year *OSA* limitation period.	None.	Part XXIII.1 for a period outside the *OSA* three-year limitation; negligence, fraudulent misrepresentation, civil fraud, conspiracy and oppression.
Defendants in addition to goeasy, Mullins, Ingram, Rees, Khouri, Metel, Basian and EY	VYCO (influential person); Johnson, David Appel, Morrison, Moore and Tétrault (directors); and Ens (CEO), Wu (CFO), and Jason Appel (Chief Risk Officer).	None.	David Appel and Directors: Morrison, Moore and Tétrault.

[13] This carriage motion does not turn on expertise or the capacity of any of the three actions to fund a class proceeding. All counsel are experienced and capable. All are able to fund the action. The core issue is which action best advances the class members claims, in an "efficient and cost-effective manner" considering "each representative plaintiff's theory of its case, including the amount of work performed to date to develop and support the theory." See: s. 13.1(4)(a) of the *Class Proceedings Act, 1992,* S.O. 1992, c. 6 (the "*CPA*").

The Carriage Jurisprudence

[14] The objective of a carriage motion is to select the counsel and proceeding that will best advance the interests of the class members, in a cost-effective and efficient manner: *Dziedziejko v. Canopy Growth Corp*., 2023 ONSC 6318, at para. 4; *Buis v. Keurig Canada Inc.*, 2023 ONSC 87, at para. 15; *Parkin v. The Toronto-Dominion Bank*, 2025 ONSC 1201 at paras. 6-8.

[15] The statutory factors are found in s. 13.1(4) of the *CPA*:

> On a carriage motion, the court shall determine which proceeding would best advance the claims of the class members in an efficient and cost-effective manner, and shall, for the purpose, consider,
>
> (a) each representative plaintiff's theory of its case, including the amount of work performed to date to develop and support the theory;
>
> (b) the relative likelihood of success in each proceeding, both on the motion for certification and as a class proceeding;
>
> (c) the expertise and experience of, and results previously achieved by, each solicitor in class proceedings litigation or in the substantive areas of law at issue; and

> (d) the funding of each proceeding, including the resources of the solicitor and any applicable third-party funding agreements as defined in section 33.1, and the sufficiency of such funding in the circumstances.

[16] The court will assess the cost-effectiveness and efficiency promised by each proposed action. Where there are competing theories, the court will consider the relationship between the potential effort needed to achieve the outcome sought on behalf of the class: *Blackford-Hall v. Simply Group,* 2021 ONSC 8502*; Bonnick v. Crown Crest Capital Management Corp*., 2021 ONSC 8503, at para. 10.

[17] A carriage motion is not for the adjudication of the merits. It is the preliminary stage at which the court evaluates which case is most efficient for members of the class in producing optimal results: *Liang v. SSR Mining, Inc*., 2024 ONSC 4432 at para. 3.

[18] The court will discourage case theories that may waste resources or are not worth the effort needed to achieve access to justice, the primary goal of class proceedings: *Canopy* at para. 26; *Blackford-Hall* at para. 10. More is not necessarily better, either in causes of action or in the number of defendants: *Yee v. Telus International (Cda) Inc.*, 2026 ONSC 3165 at para. 41.

[19] There is a tension between how far into the merits the parties should go on a carriage motion: the ability of each competing action to achieve access to justice cannot be assessed solely from bare allegations. The relative strengths and weaknesses of the competing case theories must, of necessity, include some foundational facts, to demonstrate what each action can reasonably promise to achieve.

[20] The use of available evidence can be seen in *Canopy*, where Morgan J. considered the differences in class size. The *Dzeidzeikjo* action justified a longer class period by tendering what Morgan J. termed "ample evidence" to support its case theory.[2] As Morgan J. stated, "If it seemed as if the *Dzeidzeikjo* action gratuitously roped in a large number of shareholders for no reason but to pad its numbers the analysis here would be very different": *Canopy* at para. 50.

[21] With these principles in mind, I turn to the issues on the carriage motion.

Which Action Should Have Carriage?

[22] I discuss the areas of contention within three areas: the theory of the case including the work done to date to develop and support that theory, the relationship between the Ontario actions and the Quebec action, and allegations about delays, missed deadlines and the delayed disclosure of the *Enright* consortium agreement. I discuss those issues in reverse order.

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[2] The evidence of a longer class period came from financial reports, the corrective declarations and the pleadings filed by Canopy in earlier litigation (the Mode litigation) which revealed the state of Canopy's prior knowledge, a fact relevant to the timing of the alleged misconduct in the class proceeding.

Issue 1: Delays, Missed Deadlines and the Late Consortium Agreement

[23] I begin with the principle that carriage does not turn on missed deadlines, especially material delivered within a few hours of a timetabled deadline. That said, the court expects that parties will meet court-imposed deadlines and only miss them exceptionally. This expectation applies to small firms serving individual members of the community and to specialized firms with experience in complex litigation that has the benefit of teams of lawyers. Where firms frequently deliver relevant material after deadlines have been set, including dates for cross-examination, the firm risks attracting controversy because it is either taking on more than can be effectively managed, or because the firm has chosen such a practice for strategic reasons. Neither rationale serves the administration of justice.

[24] Here, the *Wang* action raised the *Enright* action's failure to produce the consortium agreement among counsel. Following delivery of the *Wang* responding factum, the *Enright* action produced the consortium agreement.

[25] As it turns out, there was nothing problematic or particularly prejudical to the carriage issues in the *Enright* consortium agreement, although perhaps all counsel would have preferred not to disclose how the fees would be split as between them as a matter of commercial interest. At most, the *Enright* action's reticence to timely disclosure of the agreement led to an additional issue for the competing actions to pursue. It added another issue to the carriage motion that was, in the end, avoidable.

[26] I find that given my other findings, this issue is not determinative of carriage, nor is it the final piece that tips the balance. However, the fact that the parties spent time on the issue, both in their factums and during argument has persuaded me that it is valuable to include a short discussion of the issue here.

Issue 2: The Relationship Between the Ontario actions and the Quebec action

[27] Both the *Chowdhury* and *Wang* actions criticize the *Enright* action for placing itself into a conflict between the Ontario class and the Quebec class, by simultaneously filing a proceeding against Goeasy in Quebec and in Ontario. The *Wang* action submits that the *Enright* action has introduced duplication and inefficiencies which will continue if the *Enright* action is granted carriage because unlike the *Wang* and *Chowdhury* actions, the *Enright* action will seek to continue both actions in parallel rather than seeking a stay in Quebec.

[28] The *Enright* action explained its rationale for launching an action in Quebec, based on its experience that when Ontario firms initiate class actions, other firms launch parallel actions in Quebec. RG's affidavit in support of carriage reasoned that by being the initiator of an inevitable Quebec action, it would be better able to coordinate the Ontario and Quebec actions and avoid unnecessary duplication, using coordination and case management.

[29] In the event of a settlement and a single pool of available funds, counsel to *Enright* submit that they would be able to manage the conflicts arising from representing two classes through independent legal advice and the input from experts.

[30] I accept the submission that the conflicts are potentially manageable, however, the practical reality is that the *Enright* action has introduced a layer of complexity by making the choice to seek to represent duplicative, overlapping classes in two provinces. Had they not done so, it is reasonable to expect, that like the other two actions, RG would have sought to stay the Quebec action as a subset of the Ontario broader class, and to focus its resources on the litigation in Ontario. This element makes the *Enright* proposal more unwieldy from the start than the other two actions. The problem of complexity arising from litigating identical records in multiple jurisdictions is well known: *Litvin et al v. Mackenzie Financial Corporation et al*, 2025 ONSC 6138 at para. 67; *Strathdee v. Johnson & Johson Inc.,* 2026 ONSC 1186 at para. 32 citing *Mignacca v. Merck Frosst Canada Ltd.,* 2009 CanLII 10059 (ON SCDC) at paras. 85-86.

[31] There is a second issue which arises from overlapping Quebec and Ontario retainers. Counsel to *Enright* have framed their Quebec retainer as an advantage because they will be able to coordinate and avoid inefficiency. I am concerned that having been the architect of that duplication and overlap, there could be an appearance to other firms that to achieve carriage in Ontario, a firm can use a "first to file" jurisdiction as a springboard to carriage in this province.

[32] If an Ontario court concludes that an action initiated in a first to file jurisdiction favours granting carriage in Ontario, this could give the bar the impression that a firm that wins the race to the courthouse in a first to file jurisdiction, has a better chance of obtaining carriage in Ontario. Using "first to file" as an argument for carriage could undermine the Ontario legislation and the legislative scheme which requires a court to consider competing claims against explicit qualitative metrics, in s. 13.1(4) of the *CPA.* Justice Conway voiced similar concerns in *Wilson and Shah v. LG Chem,* 2014 ONSC 1875 at paras. 26-27.

[33] I agree with those concerns and find that the relationship between the Ontario and the Quebec actions favours the *Chowdhury* and the *Wang* actions over the *Enright* action.

Issue 3: Theory of the case, including work done to date

The Chowdhury Action

[34] The *Chowdhury* action began its investigations into Goeasy in September of 2025 after JR released its critical report. After Goeasy's press release of March 10, 2026, the *Chowdhury* action awaited the audited financial statements and MD&A. Following Goeasy's restatement, the *Chowdhury* action finalized its pleading, on the theory that it would have the best available information after the restatement to inform its pleading.

[35] The *Chowdhury* action retained three experts to support its motions for leave and certification: an expert in economic materiality and market efficiency, an accounting expert on Goeasy's compliance with IFRS and a damages/valuation expert. The *Chowdhury* action has retained a private investigator to locate potential witnesses. The *Chowdhury* action launched a dedicated website for the action with a sign-up process to permit potential class members to receive updates about the action.

[36] The *Chowdhury* case theory is based on evidence which it says shows that the Goeasy issues that led to its restatement can be traced back to the LendCare acquisition by Goeasy on April 30, 2021. For that reason, the *Chowdhury* action framed its action in both statutory

misrepresentation under the *OSA*, but also in oppression with limitation periods that are subject to discoverability, civil fraud, unlawful means conspiracy, and negligence. Their theory is based on pleaded facts that include the alleged misrepresentations in Goeasy's financials. The *Chowdhury* action also alleged that a senior officer Halim Khouri exercised options five weeks before the JR publication, and a month before resigning, and that director David Appel disposed of over 40,000 shares five days after Goeasy issued its denial on September 24, 2025.

[37] While the other two actions have criticized the *Chowdhury* action for including claims of fraud which could prevent recovery under the corporate insurance policy, the *Chowdhury* action submits, and I agree, that there is no evidence about the policy terms, nor is it clear that insurance proceeds would be the only source of funding an award of damages. Further, the *Enright* claim seeks a declaration that the Goeasy defendants knowingly released documents containing misrepresentations to the financial detriment of the class.

[38] Similarly, the *Wang* claim pleads that as Goeasy was "touting" its credit risk management to investors, its practices of delaying reporting delinquencies on consumer loans, ineffective collection practices and weak credit risk management resulted in it "concealing the true amount of its consumer loan delinquencies, uncollectible loans and/or loans with a high risk of non-collection." Each action pleads facts that imply or allege that Goeasy made knowing misrepresentations prior to the final alleged correction. In my view, the *Chowdhury* case theory has not been undermined by having pleaded fraud.

The Enright Action

[39] The *Enright* action began its investigations starting in September of 2025. Counsel issued a press release announcing its investigation. Counsel contacted a journalist who was writing a story about Goeasy's practices. The journalist connected counsel to one of her sources who provided confidential information to counsel. Counsel reviewed publicly available data, analyst reports and court records from prior litigation concerning LendCare dating back to 2021. Counsel examined filings on SEDAR, including on the management circulars with information about directors' and officers' insurance, with a view to considering the action's ability to recover damages claimed.

[40] The *Enright* action located ten former Goeasy employees and conducted interviews with them that led to refining of the *Enright* case theory and amendments to the pleading. The *Enright* action consulted with seven experts in forensic accounting, accounting and audit, subprime lending operations and internal controls, a forensic economist, a governance, materiality and director and an investment banker. The *Enright* action issued a press release on March 11, 2026, and fielded inquiries from over 100 potential class members and security holders.

[41] The *Enright* action has refined its pleadings, and since initially launching its action, has delivered an amended statement of claim. It has done so based on its investigations, consultations with experts and in response to other events. The *Enright* action initially cast the defendant net broadly, naming 20 defendants, including the issuer, the auditor, directors, officers and a corporate insider, thus an "influential person," with a view to potentially maximizing recovery. The *Enright* action has since decided to seek leave to discontinue its action as against directors who were not part of the audit committee (Deakin and Kakkar) and one officer (Eubanks) who did not play a central role.

[42] The *Enright* action expanded its proposed class period from the three-year statutory limitation period back to 2021, based on the analysis of its accounting experts. The *Enright* case theory evolved to include allegations that Goeasy's financial reporting contained inaccuracies prior to the period of restatement. The *Enright* action located evidence from a former employee that the practices which led to the restatement had been taking place since at least September of 2022.

[43] The *Enright* action reviewed the pleadings in *Beacon Holdings Limited v. LendCare Capital Inc. et al*. (Court File No. CV-21-00662392-0000), an action commenced on May 17, 2021, which alleged that LendCare had improperly managed its loan portfolio. The *Enright* action obtained and reviewed a Notice of Action in *Beacon Holdings Limited v. LendCare Capital Inc. et al*. (Court File No. CV-21-00660377-0000) which made similar allegations. These allegations persuaded the *Enright* action to consider a cause of action that preceded the start of the three-year *OSA* limitation period. It did so by pleading oppression and adding a material change allegation under the *OSA*, s. 138.3(6)(b).

The Wang Action

[44] The *Wang* action was the first to be commenced in Ontario. Counsel to the action created a website with information for potential class members available in English and in French. Counsel issued a press release and wrote to the court to seek the assignment of a case management judge. To date, approximately 1137 individuals have contacted the *Wang* action to obtain information.

[45] The *Wang* action filed FOI requests with the Ontario Securities Commission to obtain confirmation that Goeasy filed offering memoranda, and to support its claims for misrepresentation under s. 130.1 of the *OSA*. They have retained experts, reviewed Goeasy's public disclosures, reviewed the relevant news reports and analyst reports, retained a private investigator to locate fact witnesses and reviewed documents available from other civil litigation involving LendCare.

[46] The *Wang* action sought permission to file its motion materials for the leave motion on April 15, 2026, to toll the statutory limitation period. The *Wang* action also proactively sought a court schedule for the return of the carriage motion. Finally, the Wang action chose to limit its claims to statutory claims and parallel negligent misrepresentation claims. In doing so, it has delineated a class of investors that falls within the three-year limitation period within the *OSA*.

[47] The *Wang* action submits in doing so, it has achieved a better balance of claims, effort and the potential for an efficient outcome for the class. The *Wang* action distinguishes its case theory from that of *Chowdhury* and *Enright*, by submitting that it has avoided overpleading, complexity and the potential of slowing down access to justice. The *Wang* action also submits that its choice of defendants is rationally connected to its case theory, contrasting its choices with what it terms the [everything but the] "kitchen sink" approach taken by the *Enright* action, which has already signalled it will seek to discontinue the action against several named defendants, having originally named the entire audit committee, officers, directors, a significant shareholder and the auditor to Goeasy, EY.

[48] The *Wang* action explained its choice of defendants: the reporting issuer, Goeasy is obvious. EY audited Goeasy's financial statements which were restated: the cause of action is based in the misrepresentations contained in those financial statements. The individual defendants are key

officers and directors who bear liability under the *OSA*. In selecting these defendants, the *Wang* action considered the available defence of reasonable investigation. They include the CEOs in place during the class period, Goeasy's CFO, the lead director and the President of the LendCare unit.

Discussion

[49] I observe that each action has undertaken comparable preparatory work that is consistent with the case theories they each advance. The *Wang* and *Chowdhury* actions criticize the *Enright* action for taking an unnecessary risk in including expert reports at this stage, when that is not necessary for carriage. As counsel observed, you cannot "buy" carriage. As Perell, J. observed in *Quenneville v. Audi AG* 2018 ONSC 1530 at para. 132, it is "ill-advised" for parties to deliver a certification record before a carriage motion is heard.

[50] The factor of "work done to date" unfortunately may lead counsel to come close to preparing the equivalent of leave/certification materials for carriage purposes. This leads to a metaphorical "arms' race" that wastes resources and risks creating an unhelpful "signal to noise ratio" at the motion for carriage. Carriage assesses only the preliminary work done to establish the viability and efficiency of the case theories, as distinct from the work required to prepare the certification and/or leave record.

[51] To achieve consistency, I have treated the identification and retainer of experts as equivalent to the production of preliminary expert reports. I do not find the service of preliminary expert reports to be a reason to favour one action over the other at the carriage stage.

[52] I find that the three actions seeking carriage have done comparable preparatory work. Each action has a rationale behind their case theory, supported by public information and in some cases, by private and confidential witness interviews. Each proposed action has created communications infrastructure by way of websites. Each action has identified and retained expert witnesses necessary to argue leave and certification.

[53] As for the case theories, the *Wang* action is the most targeted and has the shortest class period, on the theory that this will reduce complexity, cost, and complication. The *Wang* action has selected the narrowest causes of action, limiting their claim to the statutory claims under the *OSA*, and therefore a class length that is the shortest because of the three-year limitation period in the *OSA*. The *Wang* action submits that its case theory is the most cost-effective because at its core, the "main event" in the litigation is the secondary market misrepresentation cause of action. In the *Wang* action's submission, it has been careful to plead only negligent misrepresentation which mirrors the statutory claims to avoid the problem of the individual issues that will arise for claims in negligent misrepresentation that are unrelated to the statutory claim.

[54] The *Wang* action submits that the oppression remedies added by *Enright* and included in the *Chowdhury* action will weigh down the litigation and become "sideshows" to the main event: the statutory secondary and primary market claims.

[55] The *Chowdhury* action relies on the findings of Morgan, J. in *Canopy* at paras. 89-105 where the plaintiffs sought certification, among other things of a claim in oppression. Justice Morgan rejected the defendants' submission that an oppression claim is unsuitable for a class action because of the expectation analysis that the oppression remedy requires, based on existing jurisprudence

including in *BCE Inc. v. 1976 Debentureholders,* 2008 SCC 69 (CanLII), [2008] 3 SCR 560, at para. 75. As the Supreme Court of Canada found in *BCE Inc.,* entire classes of corporate stakeholders may share an expectation, provable on objective evidence. The *Chowdhury* action points to evidence in support of its theory of oppression to counter the submission of the *Wang* action that such a claim is overreaching.

[56] The *Enright* action submits that it has captured viable claims against defendants who are excluded from the *Wang* and the *Chowdhury* actions and can be expected to contribute to the potential damages recoverable on behalf of the class. This includes adding major Goeasy shareholder, Vyco, as a defendant, including all available primary market note claims commenced within the 180-day limitation period and pleading specifically from its confidential witness interviews the methods used by LendCare, the alleged flaws and identifying internal "whistleblowers" who raised concerns during the class period about Goeasy's practices.

[57] The risks of awarding carriage to more expansive, longer claims with more causes of action and defendants includes complex leave and certification motions, larger records, a multiplicity of issues, delays and the potential loss of evidence and more difficulty achieving settlements. These are all well known aspects of class proceeding litigation.

[58] Recently, the British Columbia Court of Appeal in *Noramco LLC v. British Columbia*, 2026 BCCA 27, at para. 4 called on counsel to return to the "basics" on certification motions, and to avoid turning a straightforward procedural motion to be heard near the beginning of an action into a merits' inquiry. A culture of broad pleading by plaintiffs and hard-fought defending contributes to inefficient litigation, longer hearings, massive records and ongoing exchanges of materials after timetables and deadlines are set.

[59] Both the *Enright* and *Chowdhury* actions have pleaded a larger class which could achieve a large recovery, but at greater potential cost to the class and to the administration of justice. They have chosen to name more defendants and causes of action than in the *Wang* action, which will predictably increase the size of the records, the legal issues, the time needed for cross-examinations, the potential for delay and for related appeals on the additional issues of law that multiple causes of action will inevitably attract. As the *Wang* action notes, just because a firm may plead oppression, the question is whether it is worth it to advance such a claim alongside what all three actions agree is a meritorious claim in misrepresentation pursuant to the *OSA*. That is the bedrock of all three actions.

[60] There are specific risks of complexity posed by the fraud and conspiracy pleadings in *Chowdhury*: the particularity required for those allegations may lead to pleadings motions in advance of certification. The oppression claims by both *Enright* and *Chowdhury* involve allegations that are subordinate to the misrepresentation claims common to all three actions. There is a real possibility that had those claims not been able to extend the class period for the purposes of carriage, they would not have otherwise been considered worth the effort to pursue. They will add the further potential for disputed common issues and pleadings arguments at certification.

[61] Finally, the *Wang* action used FOI requests to ensure a factual basis for the primary market claims based on offering memoranda. In contrast, the *Enright* and *Chowdhury* actions pleaded claims on six dates during the class periods, without regard to whether Goeasy had filed an offering

memorandum. The broader pleadings would either need further amendment, which again opens the door to motions and procedural disputes, or could attract disputes at certification about whether the plaintiffs have met the "some basis in fact" standard as applied to the primary market claims.

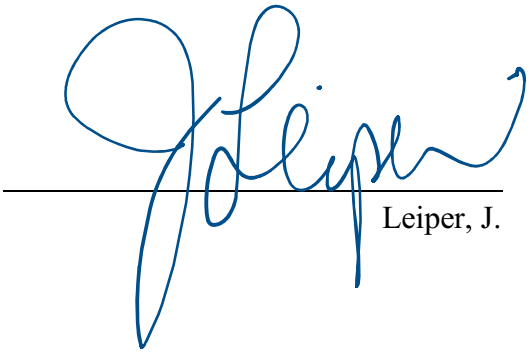
[62] In all of the circumstances, taking into account the context of a public market class action which will require leave before moving to certification, the potential for issue creep, delay and the policy goals of access to justice, judicial economy and behavioural modification, I conclude that the more targeted approach, and the desirability of an action able and willing to move with focus and alacrity favours granting carriage to the *Wang* action.

Conclusion

[63] I conclude that the *Wang* action will best advance the interests of the class, in a cost-effective and efficient manner. I grant carriage to the *Wang* action. I order stays of the *Chowdhury* action and the *Enright* action.

[64] There are no costs available on a carriage motion. I make no award as to costs.

[65] Counsel for *Wang* and the defendants are to communicate with my office within 30 days of this decision to arrange a case conference concerning a timetable for the leave/certification motions.



Leiper, J.

Released: October 30, 2026

CITATION: Wang et al v. Goeasy Ltd. et al, 2026 ONSC 6158
COURT FILE NOS.: CV-26-00005487-00CP and CV-26-00005743-00CP and CV-26-00007899-00CP
DATE: 20261030

ONTARIO

SUPERIOR COURT OF JUSTICE

Court File No. CV-26-00007899-00CP

BETWEEN:

MOHSEN-UL ALAM CHOWDHURY

Plaintiffs

– and –

GOEASY LTD., JASON MULLINS, HALIM KHOURI, DAVID INGRAM, DAN REES, ALI METEL, KAREN BASIAN, DAVID APPEL, SEAN MORRISON, JAMES MOORE, JONATHAN TÉ TRAULT and ERNST & YOUNG LLP

Defendants

Court File No. CV-26-00005743-00CP

AND BETWEEN:

GORDON ENRIGHT, JOSEPH CHAN and DARYL ROCK

Plaintiffs

-and-

GOEASY LTD., VYCO LTD., DONALD K. JOHNSON, DAVID INGRAM, KAREN BASIAN, DAVID HARRY APPEL, SEAN MORRISON, HON. JAMES MOORE, TARA DEAKIN, JONATHAN TETRAULT, RADHIKA KAKKAR, JASON MULLINS, DAN REES,

PATRICK ENS, HALIM KHOURI, FELIX WU, ALI METEL, JASON APPEL, MICHAEL EUBANKS and ERNST & YOUNG LLP

Defendants

Court File No. CV-26-00005487-00CP

AND BETWEEN:

YULUN WANG and CHAO LIANG

Plaintiffs

– and –

GOEASY LTD., JASON MULLINS, DAN REES, HAL KHOURI, DAVID INGRAM, KAREN BASIAN, ALI METEL, and ERNST & YOUNG LLP

Defendants

REASONS FOR DECISION

Leiper J.

Released: October 30, 2026