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in its Capacity as Authorized Foreign Representative for the Debtor*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

IMPERIAL TOBACCO CANADA LIMITED,

Debtor in a Foreign Proceeding.¹

Chapter 15

Case No. 19-10771 (JPM)

RE: Dkt. No. 85

DECLARATION OF PAUL BISHOP IN SUPPORT OF MONITOR'S STATUS REPORT

I, Paul Bishop, pursuant to 28 U.S.C. § 1746, hereby declare under penalty of perjury as follows:

1. I hereby submit this declaration, made in my capacity as a Senior Managing Director of FTI Consulting Canada Inc., the authorized foreign representative of Imperial Tobacco Canada Limited (the “Debtor”) and the court-appointed monitor (the “Monitor”) of the Debtor and Imperial Tobacco Company Limited in a proceeding (the “Canadian Proceeding”) under Canada’s *Companies’ Creditors Arrangement Act*, R.S.C. 1985 c. C-36, as amended (the “CCAA”), pending before the Ontario Superior Court of Justice (Commercial List) in Toronto, Ontario (the “Canadian Court”), to apprise the Court of recent, notable developments in the Canadian Proceeding since

¹ The last four digits of the Debtor’s taxpayer identification number are 4374. The Debtor’s registered office is located at 30 Pedigree Court, Brampton (Ontario) Canada L6T 5T8.



the filing of the Monitor's Fourth Status Report on October 25, 2023 [Dkt. No. 75] and in support of the *Fifth Status Report* filed contemporaneously herewith.²

Updates on the Canadian Proceeding and Extension of the Stay

2. As reported to the Court on October 25, 2023, in an endorsement released on October 5, 2023 (the "October 5 Endorsement"), the Canadian Court directed the Monitor, along with the other court-appointed monitors (collectively with the Monitor, the "Tobacco Monitors") of the other Tobacco Companies and the Court-Appointed Mediator in the Canadian Proceeding to develop a plan of compromise or arrangement (a "CCAA Plan").

3. In accordance with the October 5 Endorsement, the Monitor and the Court-Appointed Mediator jointly filed the Debtor's CCAA Plan on October 17, 2024 (the "Imperial Plan") in the Canadian Proceeding that, if approved by the requisite double majority of creditors³ and sanctioned by the Canadian Court, will, among other things, resolve all Tobacco Claims against the Debtor and its affiliates, provide a full and comprehensive release of the Tobacco Claims, and certain other claims, to the Debtor, BAT, and certain of their related entities, and allow the Debtor to continue as a going concern. In return, the Tobacco Companies will pay CAD \$32.5 billion over time to compensate Affected Claimants for harms suffered related to tobacco-related diseases, healthcare-related claims, and certain other claims. If consummated, the Imperial Plan, together with the other Tobacco Companies' CCAA Plans (collectively, the "Tobacco Plans"), would represent the largest structured tobacco-related settlement of its kind since the 1998 tobacco settlements in the United States.

4. Attached hereto as **Exhibit A** is a true and correct copy of the Imperial Plan, developed by the Monitor and the Court-Appointed Mediator, which was submitted in the

² Capitalized terms not defined herein shall have the meanings ascribed to them in the Fifth Status Report.

³ A majority in number and two-thirds in value.

Canadian Proceeding as part of the Monitor's motion, filed on October 17, 2024, seeking approval of procedures for notice, voting, convening a creditors' meeting, and administering claims.⁴

5. On October 17, 2024, as an initial step towards confirmation of the Tobacco Plans, the Tobacco Monitors filed various procedural motions in the Canadian Proceeding seeking approval of procedures related to noticing the Tobacco Plans, convening creditors' meetings to vote on the Tobacco Plans, and administering claims thereunder (the "Plan Solicitation Motions"). The Plan Solicitation Motions were approved by the Canadian Court on October 31, 2024. On the same date, the Canadian Court extended the Stay to January 31, 2025.

6. Attached here to as **Exhibit B** is a true and correct copy of the order from the Canadian Court extending the Stay to January 31, 2025.

7. Attached hereto as **Exhibit C** is a true and correct copy of the order from the Canadian Court approving the Tobacco Monitors' motions for procedures for notice, voting, and convening a creditors' meeting.

8. Attached hereto as **Exhibit D** is a true and correct copy of the order from the Canadian Court approving procedures for administering claims under the Tobacco Plans.

Operational Updates

9. The Monitor also submits the following operational updates regarding the Debtor since the filing of the Fourth Status Report:

- a. In April 2024, the Debtor relocated distribution of its products from a facility in Brampton, Ontario and a facility in Montreal, Quebec to a distribution facility in Vaughan, Ontario. This transition was completed in August 2024.
- b. As previously reported to the Court, on August 1, 2023, the Canadian government promulgated new regulations requiring, among other things, health warnings to be

⁴ Due to the extensive volume of the CCAA Plan documents, the version served with this Declaration does not include the originally attached schedules. However, the complete version of the CCAA Plan documents is available at: <http://cfcanada.fticonsulting.com/imperialtobacco/docs/Motion%20Record%20-%20Monitors%20-%20FTI%20-%202024-10-17.pdf>.

labelled directly on individual cigarettes. The Debtor has timely implemented the required packaging changes as well as the on-stick warnings for king-sized cigarettes that were mandated for “Phase I” (with an effective manufacturing date of January 31 and April 30, 2024) under the new regulations and is currently preparing for “Phase 2”, which contemplates on-stick warnings for regular cigarettes (with an effective manufacturing date of January 31, 2025).

- c. The Fourth Status Report also disclosed the existence of a data breach suffered by the Debtor in August 2023. An internal investigation supported by BAT to establish the facts surrounding the breach was completed and it was concluded that there was no material financial impact or further exposure.
- d. The Debtor has entered into intercompany agreements with two BAT subsidiaries: BASS Americas S.A. and BAT BS Mexico SA de CV. The agreement with BASS Americas S.A. provides for various back-office and administrative services, including accounting, accounts payable and human resources, and replaces the prior agreement, which had been in effect since 2015. The agreement with BAT BS Mexico SA de CV governs services provided by a shared service center based in Monterrey, Mexico in relation to the Debtor’s revenue growth management program, which generates pricing recommendations on the portfolio of products that the Debtor may decide to adopt.

10. As of the week ended October 4, 2024, the most recent time period in which such financial information was provided to the Canadian Court, the Debtor’s business remains cash-flow positive, resulting in a cash balance of approximately CAD \$4.499 billion. I declare under penalty of perjury under the laws of the United States of America that the forgoing is true and correct to the best of my knowledge, information and belief.

Dated: November 22, 2024
Toronto, Canada

/s/ Paul Bishop, LIT
Paul Bishop, LIT
Senior Managing Director
FTI Consulting Canada Inc.

EXHIBIT A

Court File No.: CV-19-616077-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
RSC 1985, c C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE
AND ARRANGEMENT OF **IMPERIAL TOBACCO CANADA LIMITED**
AND IMPERIAL TOBACCO COMPANY LIMITED

APPLICANTS

**COURT-APPOINTED MEDIATOR'S AND MONITOR'S
CCAA PLAN OF COMPROMISE AND ARRANGEMENT**

**PURSUANT TO THE
*COMPANIES' CREDITORS ARRANGEMENT ACT***

concerning, affecting and involving

**IMPERIAL TOBACCO CANADA LIMITED AND
IMPERIAL TOBACCO COMPANY LIMITED**

OCTOBER 17, 2024

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SCHEDULES

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Schedule “B”:	Claims Package (comprised of Miscellaneous Claims Instruction Letter (Schedule “B-1”) and the Miscellaneous Claimant Proof of Claim (Schedule “B-2”))
Schedule “C”:	Omnibus Notice
Schedule “D”:	Omnibus Notice Program (comprised of condensed version of the Omnibus Notice (Appendix “A”) and the list of the regional newspapers in which the Omnibus Notice will be published (Appendix “B”))
Schedule “E”:	Contribution Security Agreement
Schedule “F”:	Deed of Moveable Hypothec
Schedule “G”:	Harrison Report
Schedule “H”:	Curriculum Vitae of Dr. Glenn Harrison

Schedule “I”:	Jha Report
Schedule “J”:	Curriculum Vitae of Dr. Prabhat Jha
Schedule “K”:	Quebec Class Action Administration Plan
Schedule “L”:	Overview of Epiq’s complex claims administration experience
Schedule “M”:	Curriculum vitae of Daniel Shapiro, K.C.
Schedule “N”:	Pan-Canadian Claimants’ Compensation Plan: Methodology and Analysis dated October 17, 2024
Schedule “O”:	Analysis of Limitations Law applicable to Pan-Canadian Claimants dated September 2, 2020
Schedule “P”:	Pan-Canadian Claimants’ Compensation Plan dated October 17, 2024
Schedule “Q”:	Resume of Dr. Robert Bell
Schedule “R”:	Curriculum vitae of Dr. Robert Bell
Schedule “S”:	The Cy-près Fund: Methodology and Analysis dated October 17, 2024
Schedule “T”:	Claimant Contractual Release – ITCAN and ITCO
Schedule “U”:	List of Health Care Costs Recovery Actions of the Provinces and HCCR Claims asserted by Territories
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**COURT-APPOINTED MEDIATOR'S AND MONITOR'S
CCAA PLAN OF COMPROMISE AND ARRANGEMENT
CONCERNING, AFFECTING AND INVOLVING
IMPERIAL TOBACCO CANADA LIMITED AND
IMPERIAL TOBACCO COMPANY LIMITED**

WHEREAS Imperial Tobacco Canada Limited (“**ITCAN**”) and Imperial Tobacco Company Limited (“**ITCO**”) (collectively, “**Imperial**”) are insolvent;

AND WHEREAS Imperial was granted protection from its creditors under the CCAA pursuant to the initial Order of the Honourable Justice McEwen of the CCAA Court dated March 12, 2019 (“**Initial Order**”);

AND WHEREAS by the Initial Order the CCAA Court appointed FTI Consulting Canada Inc. (“**FTI**”) as an officer of the CCAA Court and the Monitor of Imperial (“**Monitor**”);

AND WHEREAS by an Order dated April 5, 2019, the CCAA Court appointed the Honourable Warren K. Winkler, K.C. (“**Court-Appointed Mediator**”) as an officer of the Court to, as a neutral third party, mediate a global settlement of the Tobacco Claims;

AND WHEREAS by an Order dated September 27, 2023, the Honourable Chief Justice Geoffrey B. Morawetz directed the Monitor to work with the Court-Appointed Mediator to develop a plan of compromise and arrangement concerning Imperial;

NOW THEREFORE, set out herein is the plan of compromise and arrangement of Imperial developed by the Court-Appointed Mediator and Monitor pursuant to the Order dated September 27, 2023 and in accordance with the CCAA.

ARTICLE 1. INTERPRETATION

1.1 Definitions

In the CCAA Plan, including all Schedules hereto, unless otherwise stated or the context otherwise requires:

“**Administration Charge**” means the charge over the Property for the benefit of the Monitor, counsel to the Monitor, the PCC Representative Counsel and counsel to Imperial, created by paragraph 38 of the Initial Order, and having the priority provided in paragraphs 45 and 47 of such Order.

“**Administrative Coordinator**” means Daniel Shapiro, K.C., in his capacity as the Court-appointed Administrative Coordinator in respect of the administration of both the PCC Compensation Plan and the Quebec Administration Plan. Daniel Shapiro’s appointment as the Administrative Coordinator will be upon the recommendation of the Court-Appointed Mediator and the Monitors and subject to the approval of the CCAA Court.

“Affected Claim” means any Claim, other than an Unaffected Claim, against Imperial. For greater certainty, all Tobacco Claims, including the Provincial HCCR Claims, Territorial HCCR Claims, QCAP Claims, PCC Claims, *Knight* Claims, Tobacco Producers Claims and Miscellaneous Claims are Affected Claims.

“Affected Creditor” means a Creditor who holds an Affected Claim.

“Affected Creditor Class” means the single class of creditors comprised solely of Affected Creditors grouped for the purposes of considering and voting on the CCAA Plan.

“Affiliate” means a Person is an affiliate of another Person if,

- (a) one of them is the subsidiary of the other, or
- (b) each of them is controlled by the same Person.

For the purpose of this definition,

- (i) “subsidiary” means a Person that is controlled directly or indirectly by another Person and includes a subsidiary of that subsidiary, and
- (ii) a Person (first Person) is considered to control another Person (second Person) if,
 - (A) the first Person beneficially owns or directly or indirectly exercises control or direction over securities of the second Person carrying votes which, if exercised, would entitle the first Person to elect a majority of the directors of the second Person, unless that first Person holds the voting securities only to secure an obligation,
 - (B) the second Person is a partnership, other than a limited partnership, and the first Person holds more than 50% of the interests of the partnership, or
 - (C) the second Person is a limited partnership and the general partner of the limited partnership is the first Person.

“Aggrieved Parties” has the meaning given in Article 12, Section 12.1.

“Alternative Product” means (i) any device that produces emissions in the form of an aerosol and is intended to be brought to the mouth for inhalation of the aerosol without burning of (a) a substance; or (b) a mixture of substances; (ii) any substance or mixture of substances, whether or not it contains tobacco or nicotine, that is intended for use with or without those devices to produce emissions in the form of an aerosol without burning; (iii) any non-combustible tobacco (other than smokeless tobacco) or nicotine delivery product; or (iv) any component, part, or accessory of or used in connection with any such device or product referred to above.

“Alternative Product Claim” means any Claim of any Person, against or in respect of Imperial or any member of its Tobacco Company Group, excluding any part of any such Claim that constitutes a Tobacco Claim, that has been advanced (including, without limitation, in any

outstanding or pending litigation), that could have been advanced or that could be advanced, and whether such Claim is on such Person's own account, on behalf of another Person, as a dependent of another Person, or on behalf of a certified or proposed class, or made or advanced by a Government, agency, insurer, employer or otherwise, under or in connection with Applicable Law, or under any current or future statute to recover damages or any other remedy or costs in respect of the development, design, manufacture, production, marketing, advertising, distribution, purchase, sale or disposition of Alternative Products, the use of or exposure (whether directly or indirectly) to Alternative Products or their emissions, the development of any disease related to the use of Alternative Products or any representation or omission in respect of Alternative Products, including any misrepresentations, breach of duty or fraud in respect thereof by any member of Imperial's Tobacco Company Group or its Representatives in Canada or, in the case of Imperial, anywhere else in the world, in each case based on, arising from or in respect of any conduct, act, omission, transaction, duty, responsibility, indebtedness, liability, obligation, dealing, fact, matter or occurrence existing or taking place before or after the Effective Time.

"Alternative Products Business" has the meaning given in Article 2, Section 2.1(f).

"Annual Amount" has the meaning given in the definition of Reserved Amount.

"Annual Contributions" has the meaning given in Article 5, Section 5.6, and **"Annual Contribution"** means any one of them.

"Annual Financial Statement" has the meaning given in Article 10, Section 10.2.1(a).

"Applicable Law" means any law, statute, order, decree, judgment, rule, regulation, ordinance or other pronouncement having the effect of law, whether in Canada or any other country, or any domestic or foreign state, county, province, city or other political subdivision of any Government.

"Arbitrator" means the arbitrator who is appointed pursuant to Article 13, Section 13.4.2.

"Bank" has the meaning given in Article 5, Section 5.3.

"Bankruptcy Action" means, with respect Imperial:

- (a) An Order of a court of competent jurisdiction is entered adjudging Imperial bankrupt or insolvent, or subject to the CCAA or the BIA, or any other bankruptcy, insolvency or analogous laws;
- (b) Imperial admits its inability to pay its debts generally as they become due or otherwise acknowledges its insolvency;
- (c) Imperial makes an assignment in bankruptcy or makes any other assignment for the benefit of creditors, gives notice of intention to make a proposal or makes a proposal under the BIA, or any comparable law, or seeks relief under the CCAA, or any other bankruptcy, insolvency or analogous law of any relevant jurisdiction;
- (d) A creditor delivers notice of its intention to enforce its security on Imperial's property pursuant to the BIA, or a creditor brings an application seeking, or the court or a creditor

appoints, or Imperial consents to or acquiesces in, the appointment of a trustee, receiver, receiver and manager, interim receiver, custodian, sequestrator or other Person with similar powers of itself or of all or any substantial portion of Imperial's assets, or a creditor otherwise exercises any of its rights or remedies under the PPSAs over all or any substantial portion of Imperial's assets;

- (e) Imperial files a petition or otherwise commences any proceeding seeking any reorganization, arrangement, composition, or readjustment under any applicable bankruptcy, insolvency, moratorium, reorganization or other similar insolvency law affecting creditors' rights, or consents to, or acquiesces in, such proceedings; or
- (f) Imperial files a petition or otherwise commences any proceeding seeking any reorganization, arrangement, composition, or readjustment, whether or not affecting creditors' rights, under any applicable corporate statute, or consents to, or acquiesces in, such proceedings.

“**BIA**” means the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended.

“**Blais Class Action**” means the class action commenced on November 20, 1998 by Conseil Québécois sur le tabac et la santé and Jean-Yves Blais against ITCAN, RBH and JTIM in the Superior Court of Quebec, District of Montreal, bearing Court File No. 500-06-000076-980.

“**Blais Class Members**” means individuals who meet the criteria of the following certified class definition in the *Blais Class Action*:

All persons residing in Quebec who satisfy the following criteria:

- (1) To have smoked, between January 1, 1950 and November 20, 1998, a minimum of 12 pack/years of cigarettes manufactured by the defendants (that is, the equivalent of a minimum of 87,600 cigarettes, namely any combination of the number of cigarettes smoked in a day multiplied by the number of days of consumption insofar as the total is equal to or greater than 87,600 cigarettes).

For example, 12 pack/years equals:

20 cigarettes a day for 12 years ($20 \times 365 \times 12 = 87,600$) or

30 cigarettes a day for 8 years ($30 \times 365 \times 8 = 87,600$) or

10 cigarettes a day for 24 years ($10 \times 365 \times 24 = 87,600$);

- (2) To have been diagnosed before March 12, 2012 with:
 - (a) Lung cancer or
 - (b) Cancer (squamous cell carcinoma) of the throat, that is to say of the Larynx, the Oropharynx or the Hypopharynx or

(c) Emphysema.

The group also includes the Heirs of the persons deceased after November 20, 1998 who satisfied the criteria mentioned herein.

“**Blais Eligibility Criteria**” means the criteria set out in the certified class definition in the *Blais* Class Action which a person must meet to be eligible to receive a Compensation Payment as a Blais Class Member.

“**Blais Judgment**” means the judgment rendered by the Honourable Justice Brian Riordan on May 27, 2015 as rectified on June 8, 2015, and the judgment of the Court of Appeal of Quebec dated March 1, 2019 in the class action commenced in the Quebec Superior Court in Court File No. 500-06-00076-980 (*Conseil québécois sur le tabac et la santé et Jean-Yves Blais c. Imperial Tobacco Ltée, Rothmans, Benson & Hedges Inc. et JTI-MacDonald Corp.*).

“**Breach**” has the meaning given in Article 12, Section 12.4.

“**Business Day**” means a day other than a Saturday, Sunday, or statutory or civic holiday in the Province of Ontario.

“**Business Plan**” has the meaning given in Article 10, Section 10.1.

“**Canada**” means His Majesty in right of Canada.

“**Canada Newco**” has the meaning given in Article 11, Section 11.1(h).

“**CapEx**” has the meaning given in Article 10, Section 10.1(b).

“**CapEx Thresholds**” has the meaning given in Article 11, Section 11.3.

“**Carry Amount**” has the meaning given in the definition of Reserved Amount.

“**Cash**” means cash, certificates of deposit, bank deposits, term deposits, guaranteed investment certificates, cheques, commercial paper, treasury bills and other cash equivalents.

“**Cash Management Bank**” means any Person that is providing cash management services to Imperial under the Cash Management System, as defined in the Initial Order.

“**Cash Management Bank Claim**” means the Claim of any Cash Management Bank in connection with the provision of cash management services to Imperial under the Cash Management System pursuant to the Initial Order.

“**Cash Security Deposits**” means, collectively, (i) in the case of Imperial, the cash and interest, if any, deposited by ITCAN as suretyship pursuant to the Order of the Quebec Court of Appeal dated October 27, 2015; and (ii) in the case of RBH, the cash and interest, if any, deposited by RBH as suretyship pursuant to the Order of the Quebec Court of Appeal dated October 27, 2015, and “**Cash Security Deposit**” means any of them.

“**CCAA**” means the *Companies’ Creditors Arrangement Act*, RSC 1985, c C-36, as amended.

“CCAA Charges” means, collectively, the Administration Charge, Court-Appointed Mediator Charge, Sales and Excise Tax Charge and Directors’ Charge, as each term is defined in the Initial Order, as amended and restated, or any subsequent order in the CCAA Proceeding.

“CCAA Court” means the Ontario Superior Court of Justice (Commercial List) at Toronto.

“CCAA Plan”, or “Plan”, means the Court-Appointed Mediator’s and Monitor’s plan of compromise and arrangement pursuant to the CCAA concerning, affecting and involving Imperial, including all Schedules thereto.

“CCAA Plans” means, collectively, the Court-Appointed Mediator’s and Monitor’s plan of compromise and arrangement pursuant to the CCAA concerning, affecting and involving each of Imperial, RBH and JTIM, including all Schedules to each CCAA Plan.

“CCAA Plan Administration Reserve” means the Cash reserve to be established on the Plan Implementation Date prior to any distributions to Affected Creditors as authorized by the CCAA Court pursuant to the Sanction Order, in the amount of \$25.0 million in respect of the CCAA Plan of each Tobacco Company (Imperial, RBH and JTIM), and to be paid out of the Upfront Contributions and deposited into the separate CCAA Plan Administration Reserve Accounts for each Tobacco Company for the purpose of paying the CCAA Plan Administration Reserve Costs for that Tobacco Company. The CCAA Plan Administrator shall hold the CCAA Plan Administration Reserve in trust for those Persons entitled to such funds pursuant to the CCAA Plan in respect of the CCAA Proceeding.

“CCAA Plan Administration Reserve Account” means a segregated interest-bearing trust account established by the CCAA Plan Administrator to hold the CCAA Plan Administration Reserve on behalf of the beneficiaries thereof.

“CCAA Plan Administration Reserve Costs” means Costs incurred and payments to be made on or after the Plan Implementation Date, including Costs incurred prior to the Plan Implementation Date which remain outstanding as of the Plan Implementation Date, in respect of:

- (a) The Costs of the services which FTI (including its legal, financial, investment or other advisors) provides in connection with the performance of its duties as both the Monitor and the CCAA Plan Administrator under the CCAA Plan and in the CCAA Proceeding, including the fulfillment of its duties and responsibilities enumerated in Article 14, Section 14.4 herein; and
- (b) The Costs of the services which the Court-Appointed Mediator (including his legal counsel and other consultants and advisors) may provide after the date of the Sanction Order, as requested by FTI acting as either the Monitor or the CCAA Plan Administrator, or by the CCAA Court, and approved by the CCAA Court.

“CCAA Plan Administrators” has the meaning given in Article 14, Section 14.1, and **“CCAA Plan Administrator”** means FTI in respect of Imperial.

“CCAA Plan Administrators Order” means the order of the CCAA Court appointing FTI to serve, as an officer of the CCAA Court, in the capacity of CCAA Plan Administrator of the CCAA

Plan in respect of Imperial and, among other things, setting out the rights, powers and obligations of the CCAA Plan Administrator in connection with such appointment.

“**CCAA Proceeding**” means, in respect of each Tobacco Company, the proceeding commenced by such Tobacco Company pursuant to the CCAA, namely Application No. CV-19-616077-00CL in respect of Imperial, Application No. CV-19-616779-00CL in respect of RBH, and Application No. CV-19-615862-00CL in respect of JTIM, collectively the “**CCAA Proceedings**”.

“**Certificate of Plan Completion**” has the meaning given in Article 19, Section 19.2(w).

“**Chapter 15 Proceedings**” means the foreign recognition proceedings of ITCAN pursuant to Chapter 15 of the US Bankruptcy Code pending before the US Bankruptcy Court (Case No. 19-10771(SCC)).

“**Claimant Allocation**” has the meaning given in Article 16, Section 16.1.

“**Claimant Contractual Release**” means the release, in the form attached to the CCAA Plan as Schedule “T”, which the Claimants shall provide to the Released Parties that will fully, finally, irrevocably and unconditionally release and forever discharge the Released Parties of and from the Claimants’ respective Released Claims, provided that such Claimant Contractual Release shall not release any of the Non-Released Claims.

“**Claimants**” means the Provinces and Territories, Quebec Class Action Plaintiffs, Pan-Canadian Claimants, *Knight* Class Action Plaintiffs and Tobacco Producers, and “**Claimant**” means any one of them.

“**Claimants’ Representatives**” means:

- (a) Counsel for the Provinces and Territories identified on the Common Service List;
- (b) Quebec Class Counsel;
- (c) PCC Representative Counsel;
- (d) Knight Class Counsel; and
- (e) Counsel for the Tobacco Producers.

“**Claims**” means any and all manner of requests, demands, complaints, claims (including claims for contribution or indemnity), rights, actions, causes of action, class actions, cross-claims, counterclaims, applications, proceedings, appeals, arbitrations, suits, debts, sums of money, liabilities, accounts, covenants, damages, losses, injuries, judgments, orders (including orders for injunctive relief or specific performance and compliance orders), interest, additional indemnity, expenses, executions, encumbrances, and recoveries on account of any liability, duty, obligation, demand or cause of action of whatever nature, in each case, of any kind, character or nature whatsoever, whether asserted or unasserted, known or unknown, suspected or unsuspected, liquidated or unliquidated, matured or unmatured, contingent or actual, disputed or undisputed,

foreseen or unforeseen, and direct, indirect, or derivative, at common law or civil law, in equity, or under statute, and “**Claim**” means any one of them.

“**Claims Administrator**” means the claims administrator approved and appointed by the CCAA Court to (i) manage the overall administration of the individual claims process and perform all other duties and responsibilities assigned to it in regard to the PCC Compensation Plan, including acting as agent for the PCCs, and (ii) manage the overall administration of the individual claims process and perform all other duties and responsibilities assigned to it in regard to the Quebec Administration Plan. The appointment of Epiq as the Claims Administrator will be upon the recommendation of the Court-Appointed Mediator and the Monitors and subject to the approval of the CCAA Court.

“**Claims Package**” means the documents attached to the Claims Procedure Order as Schedule “A”, including the Instruction Letter and the Miscellaneous Claimant Proof of Claim form which are attached as Schedule “B” to the CCAA Plan.

“**Claims Procedure**” means the claims procedure contemplated by the Claims Procedure Order for (i) disputing the value and number of votes attributed to the Affected Claims of the Claimants, and (ii) identifying Miscellaneous Claims for the purpose of voting on the CCAA Plan.

“**Claims Procedure Order**” means the order of the CCAA Court (including all schedules and appendices thereto) made in the CCAA Proceeding establishing and approving the Claims Procedure in respect of Imperial, and as may be further amended, restated or varied from time to time.

“**Closing Judgment**” means the judgment terminating the *Blais* Class Action and the *Létourneau* Class Action which will be requested on a motion brought by the Quebec Class Counsel after all Eligible *Blais* Class Members have been paid their Compensation Payments.

“**Collateral Agent**” means the collateral agent and hypothecary representative which shall act on behalf and for the benefit of the Claimants under and in relation to the Contribution Security. The Collateral Agent will be engaged prior to the Effective Time.

“**Common Service List**” means the service list posted on the Monitor’s website, as may be amended from time to time.

“**Compensation Payment**” means the amount determined by the Claims Administrator to be payable to an Eligible *Blais* Class Member under the Quebec Administration Plan in satisfaction of their QCAP Claim.

“**Contribution**” means, in respect of a Tobacco Company, each of its Upfront Contribution, Annual Contribution and any Tax Refund Cash Payment, less any applicable Reserved Amount retained in the Supplemental Trust Account. For greater certainty, a Contribution shall include any Reserved Amount following release from the Supplemental Trust Account to the Global Settlement Trust Account, but exclude any Reserved Amount released from the Supplemental Trust Account to a Tax Authority.

“**Contribution Period**” has the meaning given in Article 5, Section 5.8.

“Contribution Security” has the meaning given in Article 5, Section 5.13.

“Contribution Security Agreement” has the meaning given in Article 5, Section 5.13 and is attached to the CCAA Plan as Schedule “E”.

“COPD” means chronic obstructive pulmonary disease (GOLD Grade III or IV). The Global Initiative for Chronic Obstructive Lung Disease (**“GOLD”**) developed a four grade classification system based upon severity of airflow limitation and other diagnostic parameters. The GOLD Grade III (severe) and GOLD Grade IV (very severe) classifications represent the two most severe categories of disease.

“Cost of Health Care Benefits” means the sum of (a) the present value of the total expenditure by a Province or Territory for health care benefits provided for Insured Persons resulting from tobacco related disease or the risk of tobacco related disease, and (b) the present value of the estimated total expenditure by a Province or Territory for health care benefits that could reasonably be expected will be provided for those Insured Persons resulting from tobacco related disease or the risk of tobacco related disease.

“Cost of Health Care Benefits Percentages” has the meaning given in Section 4 of the PTLC Terms which are Schedule “X” to the CCAA Plan.

“Costs” has the meaning given in Article 14, Section 14.9.

“Counsel for the Tobacco Producers” means the law practice of Strosberg Sasso Sutts LLP.

“Counsel for the Tobacco Producers’ Fee” means the amount to be determined and approved by the CCAA Court that will be payable from the Tobacco Producers Settlement Amount to the Counsel for the Tobacco Producers in respect of their fees, disbursements and costs as Counsel for the Tobacco Producers, and any applicable taxes payable thereon. The retainer agreement respecting fees and disbursements between the Counsel for the Tobacco Producers and the representative plaintiffs, as well as the Counsel for the Tobacco Producers’ Fee, are subject to the approval of the CCAA Court.

“Court-Appointed Mediator” means the Honourable Warren K. Winkler, K.C., in his capacity as the Court-appointed mediator in the CCAA Proceedings of the Tobacco Companies.

“Court-Appointed Mediator Charge” means the charge over the Property for the benefit of the Court-Appointed Mediator created by paragraph 42 of the Initial Order, and having the priority provided in paragraphs 45 and 47 of such Order.

“CRA” means the Canada Revenue Agency.

“Cy-près Foundation” has the meaning given in Article 9, Section 9.1.

“Cy-près Fund” means the aggregate amount allocated from the Global Settlement Amount payable into the Cy-près Trust Account which shall be administered by the Cy-près Foundation.

“Cy-près Trust Account” has the meaning given in Article 9, Section 9.2 [subject to review once the structure of the Cy-près Foundation is more firmly established and/or to accommodate any delay in the timing of the establishment and commencement of operation by the Cy-près Foundation].

“Deeds of Hypothec” has the meaning given in Section 1.2 of the Contribution Security Agreement which is Schedule “E” to the CCAA Plan, and includes the Deed of Moveable Hypothec.

“Definitive Documents” means the CCAA Plan, the Sanction Order, the Contribution Security Agreement, the Deed of Moveable Hypothec, the documents required to implement and give effect to the PCC Compensation Plan and the Cy-près Foundation, and all other agreements, documents and orders contemplated by, or necessary to implement the transactions contemplated by, any of the foregoing.

“Deliberation Meetings” has the meaning given in Section 14(b) of the PTLC Terms which are Schedule “X” to the CCAA Plan.

“Deliberation Phase” has the meaning given in Section 14(b) of the PTLC Terms which are Schedule “X” to the CCAA Plan.

“Deliberation Phase Secretariat” has the meaning given in Section 25 of the PTLC Terms which are Schedule “X” to the CCAA Plan.

“Director” means any Person who, as at the Effective time, is a former or present director or officer of ITCAN or ITCO or any other Person of a similar position or who by Applicable Law is deemed to be or is treated similarly to a director or officer of ITCAN or ITCO or who currently manages or supervises the management of the business and affairs of ITCAN or ITCO or did so in the past.

“Directors’ Charge” means the charge over the Property for the benefit of the Directors created by paragraph 28 of the Initial Order, and having the priority provided in paragraphs 45 and 47 of such Order.

“Disposition” means, with respect to any Person, the sale, lease, license, transfer, assignment or other disposition of, or the expropriation, condemnation, destruction or other loss of, all or any portion of its business, assets, rights, revenues or property, real, personal or mixed, tangible or intangible, whether in one transaction or a series of transactions, and **“Dispose”** shall have a correlative meaning thereto.

“Dispute” has the meaning given in Article 13, Section 13.1.

“Dispute Resolution Procedure” has the meaning given in Article 13, Section 13.1.

“Distribution Record Date” means the date that is seven Business Days prior to the date that any distribution is made under the CCAA Plan.

“**Effective Time**” means such time on the Plan Implementation Date as the Court-Appointed Mediator and the Monitor may determine and designate.

“**Eligible *Blais* Class Members**” means the Tobacco-Victim Claimants and Succession Claimants whom the Claims Administrator has determined meet all the *Blais* Eligibility Criteria such that their Tobacco-Victim Claims and Succession Claims are approved to receive a Compensation Payment in accordance with the terms of the Quebec Administration Plan, and “**Eligible *Blais* Class Member**” means any one of them.

“**Eligible Pan-Canadian Claimants**” means the Individuals whom the Claims Administrator has determined meet all the PCC Eligibility Criteria such that their PCC Claims are approved for an Individual Payment in accordance with the terms of the PCC Compensation Plan, and “**Eligible Pan-Canadian Claimant**” means any one of them.

“**Emphysema**” means the condition of the lung that is marked by distension and eventual rupture of the alveoli with progressive loss of pulmonary elasticity, that is accompanied by shortness of breath with or without cough, and that may lead to impairment of heart action. . For the purpose of the PCC Compensation Plan and the Quebec Administration Plan, “Emphysema” includes COPD (GOLD Grade III or IV).

“**Employee Priority Claim**” means any Claim for (a) accrued and unpaid wages and vacation pay owing to an employee of Imperial whose employment was terminated between the Filing Date and the Plan Implementation Date; and (b) unpaid amounts provided for in sections 6(5)(a) and 6(6)(a) of the CCAA.

“**Encumbrance**” means a mortgage, floating charge, deed of trust, lien, pledge, hypothecation, assignment, security interest, right of offset or any other encumbrance, charge, or transfer of, on or affecting the property or assets of any Person or any interest therein, including any conditional sale contract or other title retention agreement or arrangement of any kind or character intended to create a security interest in substance, regardless of whether the Person creating the interest retains the equity of redemption, any financing lease having substantially the same economic effect as any of the foregoing, any rights of way, any easements and any construction, builder’s, mechanic’s, materialmen’s or other similar liens, encumbrances and any trust imposed or deemed to exist by law.

“**Epiq**” means Epiq Class Actions Services Canada Inc.

“**Event of Default**” has the meaning given in Article 12, Section 12.2.

“**Extended Cure Period**” has the meaning given in Article 12, Section 12.3(c).

“**EY**” means Ernst & Young Inc.

“**Filing Date**” means March 12, 2019.

“**Final Information Request**” has the meaning given in Article 10, Section 10.5(c).

“Financially Viable”, or **“Financial Viability”**, means the ability of Imperial to meet its obligations to creditors in the Ordinary Course of Business as they come due.

“First Notice” means the initial notice which the Claims Administrator shall publish regarding the PCC Compensation Plan.

“First Notice Date” means the date on which the Claims Administrator publishes the First Notice.

“FTI” means FTI Consulting Canada Inc.

“Foreign Representative” means, with respect to the Chapter 15 Proceedings, FTI in its capacity as the foreign representative for ITCAN within the meaning of section 101(24) of the US Bankruptcy Code.

“GAAS” means Generally Accepted Auditing Standards.

“Global Settlement Amount” has the meaning given in Article 5, Section 5.1.

“Global Settlement Trust Account” has the meaning given in Article 5, Section 5.3.

“Government” means any government, including the Provinces, Territories and Canada, and any person, body or entity within such government having or purporting to have jurisdiction on behalf of any nation, province, territory, municipality or state or any other geographic or political subdivision of any of them.

“Government Priority Claim” means any Claim of any Government against Imperial in respect of amounts that are outstanding, if any, provided for in section 6(3) of the CCAA.

“Governmental Authority” means any government (including the Provinces, Territories and the Federal Government), regulatory authority, governmental department, agency, commission, bureau, official, minister, Crown corporation, court, board, tribunal or dispute settlement panel or other law, rule or regulation-making organization or entity: (i) having or purporting to have jurisdiction on behalf of any nation, province, territory or state or any other geographic or political subdivision of any of them; or (ii) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power.

“Harrison Report” means the report of Dr. Glenn Harrison dated March 14, 2024 entitled “The Provincial and Territorial Present Value of Smoking Attributable Expenditures” that is attached to the CCAA Plan as Schedule “G”.

“HCCR Legislation” means, collectively, the *Crown’s Right of Recovery Act*, SA 2009, c C-35, Part 2, Sections 41-50 only, *Tobacco Damages and Health Care Costs Recovery Act*, SBC 2000, c 30, *The Tobacco Damages and Health Care Costs Recovery Act*, SM 2006, c 18, *Tobacco Damages and Health Care Costs Recovery Act*, SNB 2006, c T-7.5, *Tobacco Health Care Costs Recovery Act*, SNL 2001, c T-4.2, *Tobacco Damages and Health-care Costs Recovery Act*, SNS 2005, c 46, *Tobacco Damages and Health Care Costs Recovery Act*, SNWT 2011, c 33 (proclaimed but not yet in force), *Tobacco Damages and Health Care Costs Recovery Act*, SNU 2010, c 31 (proclaimed but not yet in force), *Tobacco Damages and Health Care Costs Recovery*

Act, 2009, SO 2009, c 13, Tobacco Damages and Health Care Costs Recovery Act, SPEI 2009, c 22, Tobacco-related Damages and Health Care Costs Recovery Act, 2009, CQLR c R-2.2.0.0.1, and The Tobacco Damages and Health Care Costs Recovery Act, SS 2007, c T-14.2.

“Health Care Benefits” means “health care benefits”, “health services” or “health care services” as such terms, as applicable, are defined in each of the statutes enumerated in the definition of “HCCR Legislation”.

“Hypopharynx” means the laryngeal part of the pharynx extending from the hyoid bone to the lower margin of the cricoid cartilage.

“Impacted Claimants” means, at any given time during the Contribution Period, all Claimants, other than the Provinces and Territories, who have not yet been paid their full share of the Global Settlement Amount, and **“Impacted Claimant”** means any one of them.

“Imperial” means, collectively, ITCAN and ITCO.

“Indebtedness” means for ITCAN or ITCO or any Material Subsidiary, at a particular time, the sum (without duplication) at such time of all:

- (a) Indebtedness or liability of ITCAN or ITCO (including amounts for borrowed money and mezzanine debt and preferred equity that would be considered to be debt under relevant generally accepted accounting principles);
- (b) Obligations evidenced by bonds, debentures, notes or other similar instruments;
- (c) Obligations for the deferred purchase price of property or services (including trade obligations);
- (d) Amounts drawn or available to be drawn under letters of credit or under guaranties or similar obligations;
- (e) Face amounts outstanding under acceptance or letter of credit facilities;
- (f) Guaranties, endorsements (other than for collection or deposit in the Ordinary Course of Business) and other contingent obligations to purchase, to provide funds for payment, to supply funds, to invest in any Person, or otherwise to assure a creditor against loss; and
- (g) Obligations secured by any Encumbrances, whether or not the obligations have been assumed.

“Indemnified Parties” has the meaning given in Article 18, Section 18.1.7.

“Individual Claimants” means all individuals who have asserted or may be entitled to assert a Tobacco Claim, which individuals are either Pan-Canadian Claimants or Quebec Class Action Plaintiffs and are represented in this CCAA Proceeding by either the PCC Representative Counsel or the Quebec Class Counsel respectively.

“Individual Payment” means the amount determined by the Claims Administrator to be payable to an Eligible Pan-Canadian Claimant under the PCC Compensation Plan.

“Individuals” means all individuals residing in a Province or Territory of Canada, and **“Individual”** means any one of them.

“Information Request” has the meaning given in Article 10, Section 10.5.

“Initial Order” means the initial order commencing the CCAA Proceedings of Imperial, as amended and restated from time to time.

“Instruction Letter” means the letter included in the Claims Package which is attached to the CCAA Plan as Schedule “B”.

“Insured Person” means (a) a Person, including a deceased Person, for whom Health Care Benefits have been provided by a Province or Territory directly or through one or more agents or other intermediate bodies, or (b) a Person for whom Health Care Benefits could reasonably be expected will be provided by a Province or Territory directly or through one or more agents or other intermediate bodies.

“Intercompany Claim” means any Claim, other than an Intercompany Services Claim, that may be asserted against Imperial by or on behalf of any member of Imperial’s Tobacco Company Group and, for greater certainty, includes all arrears of royalty and license fees as well as principal and interest due on loans made by any member of Imperial’s Tobacco Company Group to Imperial, and any claim held or asserted by British American Tobacco Mexico S.A. de C.V. (**“BAT Mexico”**) against ITCAN under the Finished Goods Supply Agreement dated July 2, 2015 between BAT Mexico and ITCAN in respect of costs or other amounts related to changes to BAT Mexico’s manufacturing and packaging of ITCAN’s tobacco products in order to adhere to the *Tobacco Products Regulations (Plain and Standardization Appearance)*, SOR/2019-17, which came into force November 9, 2019.

“Intercompany Services” has the meaning given in Article 5, Section 5.14.

“Intercompany Services Claim” means any Claim that may be asserted by or on behalf of Imperial’s Parent or the relevant Affiliates within its Tobacco Company Group in accordance with Article 5, Section 5.14 in respect of the provision of Intercompany Services to Imperial.

“Intercompany Transaction” means any transaction in the Ordinary Course of Business between ITCAN or ITCO and any member(s) of their Tobacco Company Group to buy and sell goods and/or services, licences, intellectual property and/or allocate, collect and pay any costs, expenses and other amounts from and to the members of their Tobacco Company Group, including in relation to:

- (a) Head office, shared or supplied services and operational support (including information technology and marketing services);
- (b) Finished, unfinished (including tobacco leaf purchases) and semi-finished goods and materials;

- (c) Manufacturing of goods;
- (d) Distribution and sale of goods;
- (e) Equipment purchases;
- (f) Personnel, administrative, technical and professional services;
- (g) Royalties and fees in respect of trademark licenses;
- (h) Treasury and debt; and
- (i) Imperial's central Cash Management System and all related transactions and intercompany funding policies and procedures between Imperial and its Tobacco Company Group which are described in the Thauvette Affidavit,

collectively, "**Intercompany Transactions**".

"**Interface Meetings**" has the meaning given in Section 14(a) of the PTLC Terms which are Schedule "X" to the CCAA Plan.

"**Interface Phase**" has the meaning given in Section 14(a) of the PTLC Terms which are Schedule "X" to the CCAA Plan.

"**Interface Phase Secretariat**" has the meaning given in Section 24 of the PTLC Terms which are Schedule "X" to the CCAA Plan.

"**ITA**" means the *Income Tax Act* (Canada), as amended from time to time.

"**ITCAN**" means Imperial Tobacco Canada Limited.

"**ITCAN Subsidiaries**" means Imperial Tobacco Services Inc., Imperial Tobacco Products Limited, Marlboro Canada Limited, Cameo Inc., Medallion Inc., Allan Ramsay and Company Limited, John Player & Sons Ltd., Imperial Brands Ltd., 2004969 Ontario Inc., Construction Romir Inc., Genstar Corporation, Imasco Holdings Group, Inc., ITL (USA) Limited, Genstar Pacific Corporation, Imasco Holdings Inc., Southward Insurance Ltd., and Liggett & Myers Tobacco Company of Canada Limited.

"**ITCO**" means Imperial Tobacco Company Limited.

"**Jha Report**" means the report of Dr. Prabhat Jha dated March 24, 2021 entitled "Analyses to quantify smoking-attributable conditions that could be compensable and quantification of these conditions for each province and over time from 2003-2019" with attached spreadsheets, that is attached to the CCAA Plan as Schedule "I".

"**JTIM**" means JTI-Macdonald Corp.

"**Knight Claim**" means any Claim that has been advanced, could have been advanced or could be advanced in the following class action, whether before or after the Effective Time: *Kenneth Knight*

v. *Imperial Tobacco Canada Limited* (Supreme Court of British Columbia, Court File No. L031300), including any such Claim that is a Section 5.1(2) Claim or Section 19(2) Claim.

“**Knight Class Action**” means *Kenneth Knight v. Imperial Tobacco Canada Limited* (Supreme Court of British Columbia, Court File No. L031300).

“**Knight Class Action Plaintiffs**” means Individuals who meet the criteria of the certified class definition in the *Knight Class Action*. The fact that an Individual is a *Knight Class Action Plaintiff* does not thereby disqualify that Individual from being a Pan-Canadian Claimant.

“**Knight Class Action Plaintiffs Settlement Amount**” means the aggregate amount allocated from the Global Settlement Amount to be payable to the *Knight Class Action Plaintiffs* as set forth in Article 16, Sections 16.1, 16.2 and 16.3 herein.

“**Knight Class Counsel**” means Klein Lawyers LLP.

“**Knight Class Counsel Fee**” means the amount to be determined and approved by the CCAA Court that will be payable from the *Knight Class Action Plaintiffs Settlement Amount* to the *Knight Class Counsel* in respect of their fees, disbursements and costs as *Knight Class Counsel* and any applicable taxes payable thereon. The retainer agreement respecting fees and disbursements between the *Knight Class Counsel* and the representative plaintiffs, as well as the *Knight Class Counsel Fee*, are subject to the approval of the CCAA Court.

“**Larynx**” means the upper part of the respiratory passage that is bounded above by the glottis and is continuous below with the trachea.

“**Legal Representative**” means an Individual who establishes through the submission to the Claims Administrator of one of the documents listed in the Claim Form for the Legal Representative of a PCC-Claimant that they have the right and are authorized to make a Submitted PCC Claim on behalf of the PCC-Claimant.

“**Létourneau Class Action**” means the class action commenced on September 30, 1998 by Cecilia Létourneau against ITCAN, RBH and JTIM in the Superior Court of Quebec, District of Montreal, bearing Court File No. 500-06-000070-983.

“**Létourneau Class Members**” means Persons who meet the criteria of the following certified class definition in the *Létourneau Class Action*:

All persons residing in Quebec who, as of September 30, 1998, were addicted to the nicotine contained in the cigarettes made by the defendants and who otherwise satisfy the following criteria:

- (1) They started to smoke before September 30, 1994 and since that date have smoked principally cigarettes manufactured by the defendants;
- (2) Between September 1 and September 30, 1998, they smoked on a daily basis an average of at least 15 cigarettes manufactured by the defendants; and

- (3) On February 21, 2005, or until their death if it occurred before that date, they were still smoking on a daily basis an average of at least 15 cigarettes manufactured by the defendants.

The group also includes the heirs of the members who satisfy the criteria described herein.

“Létourneau Judgment” means the judgment rendered by the Honourable Justice Brian Riordan on May 27, 2015 as rectified on June 8, 2015, and the judgment of the Court of Appeal of Quebec dated March 1, 2019 in the class action commenced in the Quebec Superior Court in Court File No. 500-06-000070-983 (*Cecilia Létourneau et al. v. Imperial Tobacco Canada Ltd., et al.*).

“Lung Cancer” has the meaning given in Article 8, Section 8.1(d)(i).

“Material Adverse Effect” means an event or condition that caused or would reasonably be expected to cause a material adverse effect on:

- (a) The assets and liabilities of ITCAN or ITCO considered as a whole or the use or operation thereof;
- (b) The business, profits, operations or condition (financial or otherwise) of ITCAN or ITCO;
- (c) The ability of ITCAN or ITCO to perform their obligations in any material respect under any of the Definitive Documents to which they are parties or by which they are bound; or
- (d) The Contribution Security.

“Material Subsidiary” means, in relation to ITCAN:

- (a) Any of its Subsidiaries that holds 5% or more of the consolidated assets of ITCAN or contributes 5% or more of the consolidated revenues or net income of ITCAN, or
 - (b) Any of its Subsidiaries that are material to the conduct of ITCAN’s business and operations,
- provided that, without limiting the generality of Subsections (a) and (b), it includes Imperial Tobacco Company Limited.

“MD&A” has the meaning given in Article 10, Section 10.2.2.

“Meeting” means the meeting of Affected Creditors to be called and held pursuant to the Meeting Order for the purpose of considering and voting on the CCAA Plan, and includes any adjournment, extension, postponement or other rescheduling of such meeting.

“Meeting Date” means the date fixed for the Meeting pursuant to the Meeting Order subject to any adjournment or postponement or further order of the CCAA Court.

“Meeting Order” means the order of the CCAA Court directing the calling and holding of the Meeting of Affected Creditors to consider and vote on the CCAA Plan, as such order may be amended, restated or varied from time to time.

“**Metric**” has the meaning given in Article 5, Section 5.6.

“**Miscellaneous Claimant Proof of Claim**” means the proof of claim form included as part of the Claims Package which is attached to the CCAA Plan as Schedule “B”.

“**Miscellaneous Claims**” means, collectively:

- (a) any Pre-Implementation Miscellaneous Claim;
- (b) any Section 5.1(2) Claim, in respect of which the Person holding such Claim, or an authorized Person on their behalf, has not executed and delivered, or will not execute and deliver, a Claimant Contractual Release;
- (c) any Section 19(2) Claim in regard to which the compromise or arrangement in respect of Imperial explicitly provides for the Section 19(2) Claim’s compromise, and the Person holding such Claim, or an authorized Person on their behalf, has not voted, or will not vote, for the acceptance of the compromise or arrangement, or otherwise execute and deliver a Claimant Contractual Release; and
- (d) any other Claim in respect of Imperial (excluding any Unaffected Claim) which is received by the Monitor and asserted against any Released Party based on, arising from or in respect of any conduct, act, omission, transaction, duty, responsibility, indebtedness, liability, obligation, dealing, fact, matter, or occurrence existing or taking place at or prior to the Effective Time (whether or not continuing thereafter) by a Person who asserts that such Claim will not be or, if asserted after the Effective Time, has not been compromised and fully, finally and irrevocably and unconditionally released and forever discharged, and permanently barred and enjoined pursuant to the terms of the CCAA Plan, the Claims Procedure Order, the Sanction Order or any other Order made in the CCAA Proceeding, and in accordance with Article 18, Section 18.2.3 of the CCAA Plan, the CCAA Court grants leave for such Person to bring such Claim for determination on its merits by the CCAA Court.

The existence of any such Miscellaneous Claims is not admitted but is expressly denied by Imperial, its Tobacco Company Group and the Claimants. For greater certainty, no Claimant or Individual Claimant may assert a Miscellaneous Claim.

“**Miscellaneous Claims Amount**” has the meaning given in Article 18, Section 18.2.1.

“**Miscellaneous Claims Bar Date**” means 5:00 pm (Eastern Time) on December 5, 2024.

“**Miscellaneous Claims Fund**” has the meaning given in Article 18, Section 18.2.1.

“**Miscellaneous Claims Fund Period**” has the meaning given in Article 18, Section 18.2.1.

“**Miscellaneous Claims Procedure**” means the procedure pursuant to which a Putative Miscellaneous Claimant can assert a Miscellaneous Claim as established in Article 18, Section 18.2 of the CCAA Plan.

“**Monetary Cure Period**” has the meaning given in Article 12, Section 12.3(b).

“**Monitor**” means FTI Consulting Canada Inc. in its capacity as the Court-appointed monitor appointed pursuant to the Initial Order in the CCAA Proceeding.

“**Monitors**” means, collectively, the Court-Appointed Monitors of the Tobacco Companies in the CCAA Proceedings.

“**NDA**” means a confidentiality, non-disclosure and non-use agreement between Imperial and another Person in the form already agreed to by the Parties.

“**Negative Notice Bar Date**” means 5:00 p.m. (Eastern Time) on the date that is twenty-one (21) days following the Negative Notice Issuance Date.

“**Negative Notice Claim**” means the value (for voting purposes only) of the Affected Claims of each Claimant and the number of votes associated therewith as set forth in a Statement of Negative Notice Claim to be sent to each Claimant in accordance with the following:

Claimant	Number of Votes for Voting Purposes	Value of Claim for Voting Purposes
Quebec Class Action Plaintiffs (QCAPs)	99,958	\$13,706,891,279
Pan-Canadian Claimants (PCCs)	186,003	\$5,041,088,110
<i>Knight</i> Class Action Plaintiffs (only entitled to vote in Imperial’s Meeting)	1	\$484,000,000
Tobacco Producers	3,930	\$29,043,876
British Columbia	1	\$136,681,344,490
Alberta	1	\$119,266,303,168
Saskatchewan	1	\$27,189,868,453
Manitoba	1	\$42,741,373,788
Ontario	1	\$271,795,731,959
Quebec	1	\$253,365,332,712
New Brunswick	1	\$22,778,964,723
Nova Scotia	1	\$29,979,033,060
Prince Edward Island	1	\$6,238,547,995
Newfoundland and Labrador	1	\$20,279,767,449
Yukon	1	\$3,752,573,987
Northwest Territories	1	\$6,865,708,611
Nunavut	1	\$3,584,449,605
Canada	1	\$333,535,110

“**Negative Notice Claims Package**” means the Claimant’s Statement of Negative Notice Claim and the form of Notice of Dispute of Negative Notice Claim to be used in the event that the Claimant wishes to raise a dispute in accordance with paragraph 8 of the Claims Procedure Order, which are attached as Schedule “A” to the CCAA Plan.

“Negative Notice Issuance Date” means the date that the Statement of Negative Notice Claim is sent to a Claimant.

“Net After-Tax Income” is as described in Article 5, Section 5.6.

“Newco” has the meaning given in Article 2, Section 2.1(f) and refers to the new corporation to be incorporated pursuant to Article 4, Section 4.1.

“Non-Monetary Cure Period” has the meaning given in Article 12, Section 12.3(c).

“Non-Released Claims” means all Claims that are not Released Claims and, for greater certainty, includes all Unaffected Claims.

“Normal Reassessment Period” has the meaning ascribed by subsection 152(3.1) of the ITA (and any analogous provisions of provincial or territorial law) except that in the case of a Tax Refund Cash Payment, the extended period provided by subparagraph 152(4)(b)(i) of the ITA (and any analogous provisions of provincial or territorial law) will apply.

“Notice of Breach” has the meaning given in Article 13, Section 13.3.

“Notice of Default” has the meaning given in Article 12, Section 12.3.

“Notice of Dispute of Negative Notice Claim” means the notice, substantially in the form included in the Negative Notice Claims Package and attached to the CCAA Plan as Schedule “A”, which may be delivered to the Monitor by a Claimant disputing a Statement of Negative Notice Claim and providing reasons for such dispute.

“Omnibus Notice” means the notice which the Monitor shall cause to be published regarding the Claims Procedure Order and the Meeting, in accordance with the Omnibus Notice Program, a copy of which notice is attached as Schedule “C” to the Claims Procedure Order and as Schedule “C” to the CCAA Plan.

“Omnibus Notice Program” means the plan to publish comprehensive legal notice regarding the Claims Procedure Order and the Meeting to Persons, including Putative Miscellaneous Claimants, situated in all the Provinces and Territories, as set forth on the document attached as Schedule “D” to the Claims Procedure Order and as Schedule “D” to the CCAA Plan.

“Omnibus Sanction Hearing Notice” means the notice which the Monitor shall cause to be published regarding the Sanction Hearing in accordance with the Omnibus Sanction Hearing Notice Program.

“Omnibus Sanction Hearing Notice Program” means the plan to publish comprehensive legal notice regarding the Sanction Hearing to Persons, including Putative Miscellaneous Claimants, situated in all the Provinces and Territories.

“Ordinary Course Divestitures” has the meaning given in Article 11, Section 11.4.

“Ordinary Course Divestitures Thresholds” has the meaning given in Article 11, Section 11.4.

“Ordinary Course of Business” means, in relation to Imperial or a member of its Tobacco Company Group, the ordinary course of day-to-day business activities and operations of that company consistent with past practices, as such practices may change from time to time in the tobacco industry in response to regulatory, market or industry developments or changes, and materially similar in nature and magnitude to actions customarily taken in the normal course of day-to-day operations.

“Ordinary Course Operational Activities” has the meaning given in Article 11, Section 11.2.

“Oropharynx” means the part of the pharynx that is below the soft palate and above the epiglottis and is continuous with the mouth. It includes the back third of the tongue, the soft palate, the side and back walls of the throat, and the tonsils.

“Pan-Canadian Claimants”, or **“PCCs”**, means Individuals, excluding the Quebec Class Action Plaintiffs in relation to QCAP Claims, who have asserted or may be entitled to assert a PCC Claim. In the CCAA Plan, the terms **“Pan-Canadian Claimants”** and **“PCCs”** are synonymous with the term **“TRW Claimants”** as such term is defined in Schedule “A” to the Orders issued in the Tobacco Companies’ CCAA Proceedings by the Honourable Justice McEwen on December 9, 2019, and any further Order of the CCAA Court.

“Parent” means, in the case of Imperial, British American Tobacco p.l.c.

“Parties” means the Claimants, the Tobacco Companies and the Tobacco Company Groups, and **“Party”** means any one of them.

“PCC Claim” means any Claim of any Pan-Canadian Claimant that has been made or may in the future be asserted or made in whole or in part against or in respect of the Released Parties, or any one of them (either individually or with any other Person), that has been advanced, could have been advanced or could be advanced, whether on such Pan-Canadian Claimant’s own account, or on their behalf, or on behalf of a certified or proposed class, to recover damages or any other remedy in respect of the development, design, manufacture, production, marketing, advertising, distribution, purchase or sale of Tobacco Products, including any representations or omissions in respect thereof, the historical or ongoing use of or exposure (whether directly or indirectly) to Tobacco Products or their emissions and the development of any disease or condition as a result thereof, whether existing or hereafter arising, in each case based on, arising from or in respect of any conduct, act, omission, transaction, duty, responsibility, indebtedness, liability, obligation, dealing, fact, matter or occurrence existing or taking place at or prior to the Effective Time (whether or not continuing thereafter) including, all Claims that have been advanced, could have been advanced or could be advanced in the following actions commenced by Individuals under provincial class proceedings legislation and actions commenced by Individuals, or in any other similar proceedings:

- (a) *Barbara Bourassa v. Imperial Tobacco Canada Limited et al.* (Supreme Court of British Columbia, Court File No. 10-2780 and Court File No. 14-4722);
- (b) *Roderick Dennis McDermid v. Imperial Tobacco Canada Limited et al.* (Supreme Court of British Columbia, Court File No. 10-2769);

- (c) *Linda Dorion v. Canadian Tobacco Manufacturers' Council et al.* (Alberta Court of Queen's Bench, Court File No. 0901-08964);
- (d) *Thelma Adams v. Canadian Tobacco Manufacturers' Council et al.* (Saskatchewan Court of Queen's Bench, Court File No. 916 of 2009);
- (e) *Deborah Kunta v. Canadian Tobacco Manufacturers' Council et al.* (Manitoba Court of Queen's Bench, Court File No. CI09-01-61479);
- (f) *Suzanne Jacklin v. Canadian Tobacco Manufacturers' Council* (Ontario Superior Court of Justice, Court File No. 53794/12);
- (g) *Ben Semple v. Canadian Tobacco Manufacturers' Council et al.* (Supreme Court of Nova Scotia, Court File No. 312869);
- (h) *Victor Todd Sparkes v. Imperial Tobacco Canada Limited* (Newfoundland and Labrador Supreme Court - Trial Division, Court File No. 200401T2716 CP);
- (i) *Peter Stright v. Imperial Tobacco Canada Limited* (Supreme Court of Nova Scotia, Court File No. 177663);
- (j) *Ljubisa Spasic as estate trustee of Mirjana Spasic v. Imperial Tobacco Limited and Rothmans, Benson & Hedges Inc.* (Ontario Superior Court of Justice, Court File No. C17773/97);
- (k) *Ljubisa Spasic as estate trustee of Mirjana Spasic v. B.A.T. Industries P.L.C.* (Ontario Superior Court of Justice, Court File No. C18187/97);
- (l) *Ragoonanan v. Imperial Tobacco Canada Limited* (Ontario Superior Court of Justice, Court File No. 00-CV-183165-CP00);
- (m) *Scott Landry v. Imperial Tobacco Canada Limited* (Ontario Superior Court of Justice, Court File No. 1442/03);
- (n) *Joseph Battaglia v. Imperial Tobacco Canada Limited* (Ontario Superior Court of Justice, Court File No. 21513/97);
- (o) *Roland Bergeron v. Imperial Tobacco Canada Limited* (Quebec Superior Court, Court File No. 750-32-700014-163);
- (p) *Paradis, in personal capacity and on behalf of estate of Lorraine Trepanier v. Rothmans, Benson & Hedges Inc.* (Quebec Small Claims Court);
- (q) *Couture v. Rothmans, Benson & Hedges Inc.* (Quebec Superior Court); and

including any such Claim that is a Section 5.1(2) Claim or Section 19(2) Claim.

“PCC Claim Package” means all of the documents that a PCC-Claimant or a PCC-Claimant's Legal Representative, as applicable, is required to complete and submit to the Claims

Administrator including the Claim Form for PCC-Claimant, Claim Form for the Legal Representative of a PCC-Claimant, Physician Form (only if a pathology report in respect of Lung Cancer or Throat Cancer, or a spirometry report in respect of Emphysema/COPD (GOLD Grade III or IV), is not available), and all medical and other documents requested in the Claim Forms and the Physician Form. The aforesaid forms are Appendices “C”, “D” and “E” to the PCC Compensation Plan which is attached as Schedule “P” to the CCAA Plan.

“PCC-Claimants” means the Pan-Canadian Claimants who are all Individuals resident in a Province or Territory of Canada, excluding the Quebec Class Action Plaintiffs in relation to QCAP Claims but including the Pan-Canadian Claimants’ respective heirs, successors, assigns and representatives, who assert a PCC Claim by submitting a PCC Claim Package to the Claims Administrator pursuant to the PCC Compensation Plan, and **“PCC-Claimant”** means any one of them.

“PCC Claims Application Deadline” means the date twenty-four months after the First Notice Date by which all PCC-Claimants are required to submit their completed Claim Packages to the Claims Administrator. The PCC Claims Application Deadline may be extended by the CCAA Court if it is deemed necessary and expedient to do so as the implementation of the PCC Compensation Plan unfolds.

“PCC Claims Period” has the meaning given in Article 8, Section 8.1(d).

“PCC Compensable Diseases” has the meaning given in Article 8, Section 8.1(d)(iii).

“PCC Compensation Plan” has the meaning given in Article 8, Section 8.1 and is attached as Schedule “P”.

“PCC Compensation Plan Amount” means the aggregate amount allocated from the Global Settlement Amount to be payable into the PCC Trust Account in respect of compensation for Eligible Pan-Canadian Claimants as set forth in Article 16, Sections 16.1, 16.2 and 16.3 herein.

“PCC Compensation Plan Reserve” means the Cash reserve to be established on the Plan Implementation Date prior to any distributions to Affected Creditors as authorized by the CCAA Court pursuant to the Sanction Order, in the amount of \$5.0 million, and to be paid out of the total Upfront Contributions from the Tobacco Companies and deposited into the PCC Compensation Plan Reserve Account for the purpose of paying the PCC Compensation Plan Reserve Costs. The CCAA Plan Administrators for Imperial, RBH and JTIM shall hold the PCC Compensation Plan Reserve in trust for those Persons entitled to such funds pursuant to the CCAA Plan.

“PCC Compensation Plan Reserve Account” means a segregated interest-bearing trust account established by the CCAA Plan Administrators to hold the PCC Compensation Plan Reserve on behalf of the beneficiaries thereof.

“PCC Compensation Plan Reserve Costs” means Costs incurred and payments to be made on or after the Plan Implementation Date, including Costs incurred prior to the Plan Implementation Date which remain outstanding as of the Plan Implementation Date, in respect of:

- (a) The Costs of the services which the Claims Administrator (including its advisors) provides in relation to the PCC Compensation Plan;
- (b) The Costs of the services which the Administrative Coordinator (including his advisors) provides in connection with the performance of his duties under the CCAA Plan; and
- (c) The Costs of the services which the PCC Representative Counsel (including their advisors) provide in connection with the performance of their duties under the CCAA Plan and in the CCAA Proceeding.

“PCC Eligibility Criteria” has the meaning given in Article 8, Section 8.1.

“PCC Representative Counsel” means The Law Practice of Wagner & Associates, Inc.

“PCC Trust Account” has the meaning given in Article 8, Section 8.3.

“Pending Litigation” has the meaning given in Article 18, Section 18.3.1.

“Permitted Encumbrance” in regard to ITCAN or any Material Subsidiary means:

- (a) Encumbrances in favour of ITCAN or any Material Subsidiary existing on the date of the Contribution Security Agreement;
- (b) Subject to the covenants set forth in Article 11, Section 11.1(g) and Article 11, Section 11.1(k) herein, Encumbrances on property, or on capital stock or Indebtedness, of a Person existing at the time such Person is merged with or into, amalgamated with, or consolidated with ITCAN or any Material Subsidiary, provided that such Encumbrances were in existence prior to the contemplation of such merger, amalgamation or consolidation and do not extend to any assets other than those of the Person merged into, amalgamated with, or consolidated with ITCAN or any Material Subsidiary;
- (c) Encumbrances on property (including capital stock) existing at the time of acquisition of the property by ITCAN or any Material Subsidiary, provided that such Encumbrances were in existence prior to, and not incurred in contemplation of, such acquisition;
- (d) Encumbrances to secure the performance of bids, tenders, leases, statutory obligations, surety or appeal bonds, performance bonds or other obligations of a like nature incurred in the Ordinary Course of Business;
- (e) Encumbrances existing on the Plan Implementation Date;
- (f) Encumbrances for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently concluded, provided that any reserve or other appropriate provision as is required in conformity with generally accepted accounting principles has been established therefor;

- (g) Encumbrances imposed by law, such as carriers', warehousemen's, landlord's, construction and mechanics' liens, in each case incurred in the Ordinary Course of Business;
- (h) Survey exceptions, easements or reservations of, or rights of others for, licenses, rights-of-way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions as to the use of real property that were not incurred in connection with Indebtedness and that do not in the aggregate constitute a Material Adverse Effect on the value of such property or materially impair their use in the operation of the business of such Person;
- (i) Encumbrances created for the benefit of or to secure the obligations created in the Definitive Documents; and
- (j) Encumbrances incurred in the Ordinary Course of Business of ITCAN or any Material Subsidiary with respect to obligations that do not cause a Material Adverse Effect.

"Permitted Transfers" has the meaning given in Article 11, Section 11.1(h).

"Person" means an individual, a corporation, a partnership, a limited liability company, a trust, an unincorporated association, a Government, or any other group, entity or body.

"Plan Implementation Conditions" has the meaning given in Article 19, Section 19.3.

"Plan Implementation Date" means the date upon which all of the Plan Implementation Conditions and the conditions to other Definitive Documents have been satisfied or waived and the transactions contemplated by the CCAA Plan, the Sanction Order and the other Definitive Documents are to be implemented, as evidenced by the Monitor's Certificate to be delivered to Imperial and filed with the CCAA Court.

"Plan Implementation Date Certificate" has the meaning given in Article 19, Section 19.5.

"PPSAs" means, collectively, *Personal Property Security Act*, RSBC 1996, c. 359, *Personal Property Security Act*, RSA 2000, c. P-7, *The Personal Property Security Act*, 1993, SS 1993, c. P-6.2, *The Personal Property Security Act*, RSM 1987, c. P35, *Personal Property Security Act*, RSO 1990, c. P.10, *Personal Property Security Act*, SNB 1993, c. P-7.1, *Personal Property Security Act*, SNS 1995-96, c. 13, *Personal Property Security Act*, RSPEI 1988, c. P-3.1, *Personal Property Security Act*, SNL 1998, c. P-7.1, *Personal Property Security Act*, RSY 2002, c. 169, *Personal Property Security Act*, SNWT (Nu) 1994, c. 8, as amended, and the relevant provisions of the Civil Code of Quebec, CQLR c. CCQ-1991.

"Pre-Implementation Miscellaneous Claim" means an Affected Claim by a Person who is not an Individual Claimant and which Affected Claim is not a: (a) Provincial HCCR Claim, (b) Territorial HCCR Claim, (c) QCAP Claim, (d) PCC Claim, (e) Tobacco Producers Claim, or (f) *Knight* Claim.

"Property" means all current and future assets, undertakings and properties of Imperial of every nature and kind whatsoever, and wherever situate, including all Cash and other proceeds thereof.

“**Provinces**” means, collectively, His Majesty the King in right of British Columbia (“**British Columbia**”), His Majesty the King in right of Alberta (“**Alberta**”), His Majesty the King in right of Saskatchewan (“**Saskatchewan**”), His Majesty the King in right of Manitoba (“**Manitoba**”), His Majesty the King in right of Ontario (“**Ontario**”), the Attorney General of Quebec (“**Quebec**”), His Majesty the King in right of New Brunswick (“**New Brunswick**”), His Majesty the King in right of Nova Scotia (“**Nova Scotia**”), His Majesty the King in right of Prince Edward Island (“**Prince Edward Island**”) and His Majesty the King in right of Newfoundland and Labrador (“**Newfoundland and Labrador**”), and “**Province**” means any one of them.

“**Provinces and Territories Settlement Amount**” means the aggregate amount allocated from the Global Settlement Amount to be payable to the Provinces and Territories to settle the Provincial HCCR Claims and Territorial HCCR Claims, as set forth in Article 16, Sections 16.1, 16.2 and 16.3 herein.

“**Provincial and Territorial Liaison Committee**”, or “**PTLC**”, means the committee that shall be established by the Provinces and Territories comprised of one member that each Province and Territory may in its discretion select to be appointed to the PTLC to represent that Province or Territory. The thirteen members of the PTLC shall appoint a Chair who will communicate with the CCAA Plan Administrators on behalf of the PTLC in regard to matters relating to the administration of the global settlement as they pertain to the Province and Territories.

“**Provincial and Territorial Liaison Committee Terms**”, or “**PTLC Terms**”, are attached to the CCAA Plan as Schedule “X”.

“**Provincial HCCR Claim**” means any Claim that has been advanced, could have been advanced or could be advanced in any of the following actions or in any other similar proceedings, whether before or after the Effective Time and whether under the HCCR Legislation or otherwise:

- (a) *Her Majesty the Queen in right of British Columbia v. Imperial Tobacco Canada Limited* (Supreme Court of British Columbia, Court File No. S010421);
- (b) *Her Majesty in right of Alberta v. Altria Group, Inc.* (Alberta Court of Queen’s Bench, Court File No. 1201-07314);
- (c) *The Government of Saskatchewan v. Rothmans, Benson & Hedges Inc.* (Saskatchewan Court of Queen’s Bench, Court File No. 8712012);
- (d) *Her Majesty the Queen in right of the Province of Manitoba v. Rothmans, Benson & Hedges Inc.* (Manitoba Court of Queen’s Bench, Court File No. CI 12-01-78127);
- (e) *Her Majesty the Queen in right of Ontario v. Rothmans Inc. et al.* (Ontario Superior Court of Justice, Court File No. CV-09-387984);
- (f) *Procureur général du Québec v. Impérial Tobacco Canada Limitée* (Quebec Superior Court, Court File No. 500-17-072363-123);
- (g) *Her Majesty the Queen in right of the Province of New Brunswick v. Rothmans Inc.* (New Brunswick Court of Queen’s Bench, Court File No. F/C/88/08);

- (h) *Her Majesty the Queen in right of the Province of Nova Scotia v. Rothmans, Benson & Hedges Inc.* (Supreme Court of Nova Scotia, Court File No. 434868/737686);
- (i) *Her Majesty the Queen in right of the Province of Prince Edward Island v. Rothmans, Benson & Hedges Inc.* (Prince Edward Island Supreme Court, Court File No. S1 GS-25019);
- (j) *Attorney General of Newfoundland and Labrador v. Rothmans Inc.* (Supreme Court of Newfoundland and Labrador, Court File No. 201101G0826); and

including any such Claim that is a Section 5.1(2) Claim or Section 19(2) Claim.

“**PTLC Chair**” has the meaning given in Section 8 of the PTLC Terms which are Schedule “X” to the CCAA Plan.

“**PTLC Members**” has the meaning given in Section 5 of the PTLC Terms which are Schedule “X” to the CCAA Plan.

“**PTLC Vice-Chair**” has the meaning given in Section 11 of the PTLC Terms which are Schedule “X” to the CCAA Plan.

“**Putative Miscellaneous Claimant**” means a Person, other than a Claimant or an Individual Claimant, who asserts a Miscellaneous Claim.

“**QCAP Claim**” means any Claim that has been advanced, could have been advanced or could be advanced in the following class actions, whether before or after the Effective Time:

- (a) *Conseil québécois sur le tabac et la santé et Jean-Yves Blais c. Imperial Tobacco Ltée, Rothmans, Benson & Hedges Inc. et JTI-MacDonald Corp.* (Quebec Superior Court, Court File No. 500-06-00076-980); and
- (b) *Létourneau c. Imperial Tobacco Ltée, Rothmans Benson & Hedges inc. et JTI MacDonald Corp.* (Quebec Superior Court, Court File No. 500-06-000070-983),

including the judgment of the Honourable Justice Brian Riordan dated May 27, 2015 as rectified on June 8, 2015, and the judgment of the Court of Appeal of Quebec dated March 1, 2019, and any such Claim that is a Section 5.1(2) Claim or Section 19(2) Claim.

“**QCAP Claims Process**” means the process established pursuant to the Quebec Administration Plan for *Blais* Class Members to assert claims for direct monetary compensation.

“**QCAP Cy-près Contribution**” means the sum of \$131.0 million forming part of the QCAP Settlement Amount that shall be contributed by the QCAPs to the Cy-près Fund and paid into the Cy-près Trust Account. The QCAP Cy-près Contribution is the consideration for the full and final settlement and satisfaction of the *Létourneau* Judgment.

“**QCAP Settlement Amount**” means the amount allocated from the Global Settlement Amount and paid for the benefit of the QCAPs in settlement of the Tobacco Companies’ liability pursuant

to the judgments rendered in the Quebec Class Actions, as set forth in Article 16, Sections 16.1, 16.2 and 16.3 herein.

“QCAP Trust Account” means the segregated interest-bearing trust account or trust accounts held in the Bank for the benefit of the Quebec Class Action Plaintiffs and into which the QCAP Settlement Amount shall be paid and deposited from the Global Settlement Trust Account.

“Quebec Class Action Administration Plan”, or **“Quebec Administration Plan”**, means the document (with attached appendices) that is subject to the approval of the CCAA Court setting out the process by which the Quebec Class Action Plaintiffs may submit claims for a Compensation Payment pursuant to the *Blais* Judgment, the process of administering such claims, and the joint oversight and supervision thereof by the CCAA Court and the Superior Court of Quebec.

“Quebec Class Action Plaintiffs”, or **“QCAPs”**, means individuals who meet the criteria of the certified class definitions in the Quebec Class Actions.

“Quebec Class Actions” means, collectively, (i) *Conseil québécois sur le tabac et la santé et al. v. JTI-Macdonald Corp. et al.*, Court File No. 500-06-000076-980 (Montreal, Quebec), and (ii) *Cecilia Létourneau et al. v. Imperial Tobacco Canada Ltd., et al.*, Court File No. 500-06-000070-983 (Montreal, Quebec).

“Quebec Class Counsel” means, collectively, the law practices of Trudel Johnston & Lespérance, Kugler Kandestin s.e.n.c.r.l., L.L.P., De Grandpré Chait s.e.n.c.r.l., and Fishman Flanz Meland Paquin s.e.n.c.r.l., L.L.P.

“Quebec Class Counsel Fee” means the amount to be determined subject to the approval of the CCAA Court that will be payable from the QCAP Settlement Amount to Quebec Class Counsel, and to any legal counsel or other advisors of any nature or kind whatsoever who have provided, are providing or may in the future provide services to the Quebec Class Counsel in connection with the CCAA Proceedings, the Quebec Class Actions and/or any other proceedings on behalf of the *Blais* Class Members and/or *Létourneau* Class Members both before and after the Plan Implementation Date, in respect of their fees, disbursements and costs as Quebec Class Counsel, and any GST, QST, HST and other applicable taxes payable thereon. All Costs incurred in respect of the services provided by Raymond Chabot (as agent for the Quebec Class Counsel on behalf of the QCAPs) both before and after the Plan Implementation Date shall be paid by Quebec Class Counsel out of the Quebec Class Counsel Fee.

“Quebec Superior Court” means the Superior Court of Quebec, Class Action Division, at Montreal.

“Raymond Chabot” means Raymond Chabot Administrateur Provisoire Inc.

“RBH” means Rothmans, Benson & Hedges Inc.

“Release” has the meaning given in Article 18, Section 18.1.1.

“Released Claims” means, collectively, any and all of the following Claims, excluding Unaffected Claims:

- (a) any Tobacco Claims; and
- (b) any Claims:
 - (i) in respect of the assets, obligations, business or affairs of the Released Parties in Canada or, in the case of Imperial, anywhere else in the world, relating to Tobacco Products, which are based on, arising from or in respect of any conduct, act, omission, transaction, duty, responsibility, indebtedness, liability, obligation, dealing, fact, matter or occurrence existing or taking place at or prior to the Effective Time (whether or not continuing thereafter);
 - (ii) in respect of the CCAA Proceedings and the Chapter 15 Proceedings up to the Effective Time, provided that such Released Party is not determined by (A) a final order of the CCAA Court to have committed fraud in the CCAA Proceedings, or (B) a final order of the US Bankruptcy Court to have committed fraud in the Chapter 15 Proceedings;
 - (iii) existing at or prior to the Effective Time that have been advanced, that could have been advanced or could be advanced in the CCAA Proceeding; and
 - (iv) released as against the Monitors, CCAA Plan Administrators, Court-Appointed Mediator and Administrative Coordinator pursuant to Article 18, Sections 18.1.4, 18.1.5 and 18.1.6 herein.

For greater certainty, Released Claims include all Tobacco Claims in respect of fraud, misrepresentation or omission that have been or could have been asserted in any proceeding initiated prior to the Effective Time, including all Claims released by the Release and the Claimant Contractual Release.

“Released Parties”, collectively, means:

- (a) ITCAN,
- (b) ITCO,
- (c) RBH,
- (d) JTIM,
- (e) British American Tobacco p.l.c.,
- (f) Philip Morris International Inc.,
- (g) JT International Holding B.V.,
- (h) the ITCAN Subsidiaries,
- (i) B.A.T. Investment Finance p.l.c.,

- (j) B.A.T Industries p.l.c.,
- (k) British American Tobacco (Investments) Limited,
- (l) Carreras Rothmans Limited,
- (m) Philip Morris U.S.A. Inc.,
- (n) Philip Morris Incorporated,
- (o) Philip Morris Global Brands Inc.,
- (p) Philip Morris S.A.,
- (q) Rothmans Inc.,
- (r) Ryesekks p.l.c.,
- (s) Altria Group, Inc.,
- (t) R.J. Reynolds Tobacco Company,
- (u) R.J. Reynolds Tobacco International Inc.,
- (v) RJR Nabisco, Inc.,
- (w) JT International SA,
- (x) JT Canada LLC Inc.,
- (y) Japan Tobacco Inc.,
- (z) JTI-Macdonald TM Corp.,
- (aa) Canadian Tobacco Manufacturers' Council, and
- (bb) every other current or former Affiliate of any of the companies listed in subparagraphs (a) to (z) herein, and each of their respective indemnitees,

and “**Released Party**” means any of them. Each Released Party includes their respective Representatives.

“**Releasors**”, collectively, means:

- (a) the Provinces and Territories,
- (b) the Quebec Class Action Plaintiffs,
- (c) the Pan-Canadian Claimants,

- (d) the *Knight* Class Action Plaintiffs,
- (e) the Tobacco Producers, and
- (f) every other Person having an Affected Claim or a Released Claim,

and “**Releasor**” means any one of them. “**Releasors**” and “**Releasor**” shall include their respective Representatives.

“**Representatives**” means, in respect of a Person, as may be applicable, such Person’s past, present or future representatives, predecessors, successors, executors, trustees, heirs, dependents, children, siblings, parents, administrators, executors, directors, officers, shareholders, partners, employees, servants, agents, consultants, legal counsel and advisers, including their respective successors and assigns, and each of their respective directors, officers, partners and employees.

“**Request for Particulars**” has the meaning given in Article 13, Section 13.2.

“**Required Majority**” means, in respect of the Affected Creditor Class, a majority in number of the Affected Creditors holding Voting Claims representing at least two-thirds in value of the Voting Claims of the Affected Creditors, in each case who are entitled to vote at the Meeting in accordance with the Meeting Order and who are present and voting in person or by proxy at the Meeting.

“**Reserved Amount**” of a Tobacco Company means: (i) any Tax Refund (the “**Tax Refund Cash Payment**”) attributable to the carryback of a Tax Attribute to a preceding taxation year (other than the taxation year in which the Upfront Contribution is made); (ii) in respect of an Annual Contribution, the reduction in income tax payable by the Tobacco Company in respect of its taxation year in which the Annual Contribution is made attributable to the deduction in computing income for tax purposes of the Annual Contribution and any resulting Tax Refund Cash Payment (the “**Annual Amount**”); and (iii) the reduction in income tax payable by the Tobacco Company in respect of a subsequent taxation year attributable to the carryforward of a Tax Attribute to the subsequent taxation year (the “**Carry Amount**”).

“**Response**” has the meaning given in Article 13, Section 13.3.

“**Sales and Excise Tax Charge**” means the charge over the Property for the benefit of Canadian federal, provincial and territorial authorities that are entitled to receive payments or collect monies from ITCAN and ITCO in respect of Sales & Excise Taxes (including for greater certainty the Canada Border Services Agency), created by paragraph 25 of the Initial Order, and having the priority provided in paragraphs 45 and 47 of such Order.

“**Sales and Excise Taxes**” means all goods and services, harmonized sales or other applicable federal, provincial or territorial sales or use taxes, and all federal excise taxes and customs and import duties and all federal, provincial and territorial tobacco taxes.

“**Sanction Hearing**” means the hearing before the CCAA Court in respect of the Sanction Order.

“Sanction Hearing Objection Notice” means the notice, substantially in the form attached as a schedule to the Sanction Hearing Order, which may be submitted or delivered to the Monitor by a Putative Miscellaneous Claimant objecting to the Sanction Order and providing reasons for such objection.

“Sanction Hearing Order” means the Order of the CCAA Court (including all schedules and appendices thereto) made in the CCAA Proceeding approving the Omnibus Sanction Hearing Notice, the Omnibus Sanction Hearing Notice Program and the timetable and procedure for the Sanction Hearing, as such Order may be amended, restated or varied from time to time.

“Sanction Order” means the Order of the CCAA Court, among other things, sanctioning and approving the CCAA Plan and granting, approving and declaring the settlements, compromises and releases, as applicable, contemplated by the CCAA Plan.

“Sanction Recognition Order” means the Order entered by the US Bankruptcy Court recognizing and enforcing the Sanction Order in the Chapter 15 Proceeding, which shall be in form and substance acceptable to Imperial.

“Section 5.1(2) Claims” means any Claims against the Directors that:

- (a) arose before the commencement of the CCAA Proceeding;
- (b) relate to the obligations of Imperial where the Directors are by law liable in their capacity as Directors for the payment of such obligations; and
- (c) either relate to contractual rights of one or more creditors, or are based on allegations of misrepresentations made by Directors to creditors, or of wrongful or oppressive conduct by Directors.

“Section 19(2) Claims” means any Claims against Imperial that relate to any of the following debts or liabilities, present or future, to which Imperial is subject on the day on which the CCAA Proceeding commenced, or to which Imperial may become subject before the compromise or arrangement is sanctioned by reason of any obligation incurred by Imperial before the day on which the CCAA Proceeding commenced, unless the compromise or arrangement in respect of Imperial explicitly provides for the Claim’s compromise, and the creditor in relation to that debt has voted for the acceptance of the compromise or arrangement:

- (a) any fine, penalty, restitution order or other order similar in nature to a fine, penalty or restitution order, imposed by a court in respect of an offence;
- (b) any award of damages by a court in civil proceedings in respect of:
 - (i) bodily harm intentionally inflicted, or sexual assault, or
 - (ii) wrongful death resulting from an act referred to in subparagraph (i);

- (c) any debt or liability arising out of fraud, embezzlement, misappropriation or defalcation while acting in a fiduciary capacity or, in Quebec, as a trustee or an administrator of the property of others;
- (d) any debt or liability resulting from obtaining property or services by false pretences or fraudulent misrepresentation, other than a debt or liability of the company that arises from an equity claim; or
- (e) any debt for interest owed in relation to an amount referred to in any of paragraphs (a) to (d).

“Secured Claim” means any Claim of a creditor to the extent that it is secured by a valid Encumbrance that is duly and properly registered or otherwise perfected in accordance with Applicable Law in the appropriate jurisdiction as of the Filing Date or thereafter pursuant to an Order, to the extent of the value of such Encumbrance as at the Filing Date (having regard to the value of the assets subject to such Encumbrance and the priority of such Encumbrance) and which Claim is entitled to be proven as a secured claim pursuant to the provisions of the CCAA.

“Statement of Negative Notice Claim” means the respective statements to be prepared by the Monitor, each of which shall contain, for voting purposes, the amount and number of votes ascribed to the Negative Notice Claim of each Claimant. The Statement of Negative Notice Claim is included in Schedule “A” to the CCAA Plan.

“Stay Period” has the meaning ascribed to such term in the Initial Order.

“Submitted PCC-Claims” means the claims made by the PCC-Claimants by submitting PCC Claim Packages to the Claims Administrator, and **“Submitted PCC-Claim”** means any one of them.

“Subsidiary” has the meaning attributed thereto in Section 2(5) of the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended.

“Succession Claim” means the QCAP Claim of a Succession Claimant which is submitted to the Claims Administrator using the Succession Claim Form.

“Succession Claimant” means a person who asserts a Succession Claim pursuant to the Quebec Administration Plan.

“Supplemental Trust Account” has the meaning given in Article 5, Section 5.3.

“Surviving Family Members” means, collectively the Individuals who are eligible to recover damages for loss of guidance, care and companionship pursuant to the applicable legislation in each jurisdiction which governs surviving family members’ claims for damages, namely: *Family Compensation Act*, RSBC 1996, c. 126; *Fatal Accidents Act*, RSA 2000, c. F-8; *The Fatal Accidents Act*, RSS 1978, c. F-11; *The Fatal Accidents Act*, CCSM, c. F50; *Family Law Act*, RSO 1990, c. F.3; *Civil Code of Quebec*, chapter CCQ-1991; *Fatal Accidents Act*, RSNB 2012, c.104; *Fatal Injuries Act*, RSNS 1989, c. 163; amended 2000, c. 29, ss. 9-12; *Fatal Accidents Act*, RSPEI 1988, c. F-5; *Fatal Accidents Act*, RSNL 1990, c F-6; *Fatal Accidents Act*, RSY 2002, c 86; and

Fatal Accidents Act, RSNWT (Nu) 1988, c F-3. For greater certainty, “Surviving Family Members” does not include the estates of Individuals who fulfill the criteria to receive compensation as a Pan-Canadian Claimant.

“**Tax Attribute**” means, with respect to Imperial, any tax attribute resulting from the deductibility of an Upfront Contribution, Annual Contribution or Tax Refund Cash Payment that is available for carryforward or carryback to another taxation year, including a non-capital loss, capital loss, credit, and other balance.

“**Tax Authority**” means the CRA, the Receiver General for Canada and any corresponding provincial or territorial Governmental Authority.

“**Tax Matter**” has the meaning given in Article 10, Section 10.2.2(m).

“**Tax Refund Cash Payment**” has the meaning given in the definition of Reserved Amount.

“**Tax Refund**” means any income tax refund received from a Tax Authority in cash or cash equivalent by Imperial during the Contribution Period.

“**Territorial HCCR Claim**” means any Claim that:

- (a) Northwest Territories has advanced, could have advanced or could advance pursuant to the *Tobacco Damages and Health Care Costs Recovery Act*, SNWT 2011, c 33 (proclaimed but not yet in force), whether before or after the Effective Time, and whether under the HCCR Legislation or otherwise;
- (b) Nunavut has advanced, could have advanced or could advance pursuant to the *Tobacco Damages and Health Care Costs Recovery Act*, SNu 2010, c 31 (proclaimed but not yet in force), whether before or after the Effective Time, and whether under the HCCR Legislation or otherwise;
- (c) Yukon has advanced, could have advanced or could advance, whether before or after the Effective Time, in relation to the recovery of (i) the present value of the total expenditure by Yukon for health care benefits provided for Insured Persons resulting from Tobacco-related Disease or the risk of Tobacco-related Disease, and (ii) the present value of the estimated total expenditure by Yukon for health care benefits that could reasonably be expected will be provided for those Insured Persons resulting from Tobacco-related Disease or the risk of Tobacco-related Disease, including pursuant to any legislation that may be enacted by Yukon in the future which could result in a Claim against any of the Released Parties relating to such expenditures; and

including any such Claim that is a Section 5.1(2) Claim or Section 19(2) Claim.

“**Territories**” means, collectively, the Government of Yukon (“**Yukon**”), the Government of the Northwest Territories (“**Northwest Territories**”) and the Government of Nunavut (“**Nunavut**”), and “**Territory**” means any one of them.

“Thauvette Affidavit” means the affidavit sworn on March 12, 2019 by Eric Thauvette, Vice President and Chief Financial Officer of Imperial Tobacco Canada Limited, in *Imperial Tobacco Canada Limited (Re)* bearing Application No. CV-19-616077-00CL.

“Throat Cancer” has the meaning given in Article 8, Section 8.1(d)(ii).

“Tobacco Claim” means any Claim of any Person against or in respect of a Tobacco Company and/or any Director thereof, or any member of its Tobacco Company Group and/or any Director thereof, that has been advanced (including, without limitation, in any outstanding or pending litigation), that could have been advanced or that could be advanced, and whether such Claim is on such Person’s own account, on behalf of another Person, as a dependent of another Person, or on behalf of a certified or proposed class, or made or advanced by a Government, or an agency, insurer, employer or otherwise, under or in connection with Applicable Law, or under any current or future statute to recover damages or any other remedy or costs in respect of the development, design, manufacture, production, marketing, advertising, distribution, purchase, sale or disposition of Tobacco Products, the use of or exposure (whether directly or indirectly) to Tobacco Products or their emissions, the development of any disease related to the use of Tobacco Products, or any representation or omission in respect of Tobacco Products, including any misrepresentations, breach of duty or fraud in respect thereof by any member of the Tobacco Company Group or its Representatives in Canada or, in the case of the Tobacco Company, anywhere else in the world, in each case based on, arising from or in respect of any conduct, act, omission, transaction, duty, responsibility, indebtedness, liability, obligation, dealing, fact, matter or occurrence existing or taking place at or prior to the Effective Time (whether or not continuing thereafter) and including any such Claim that is a Section 5.1(2) Claim or Section 19(2) Claim. For greater certainty, Tobacco Claim includes:

- (a) Any Provincial HCCR Claim;
- (b) Any Territorial HCCR Claim;
- (c) Any QCAP Claim;
- (d) Any PCC Claim;
- (e) Any *Knight* Claim; and
- (f) Any Tobacco Producers Claim.

“Tobacco Companies” means, collectively, Imperial, RBH and JTIM, and **“Tobacco Company”** means any one of them.

“Tobacco Company Group” means, in respect of Imperial, its Parent and all other current or former Affiliates, direct or indirect Subsidiaries or parents, of Imperial, and their respective indemnitees.

“Tobacco Producers” means, collectively, the Ontario Flue-Cured Tobacco Growers’ Marketing Board, Andy J. Jacko, Brian Baswick, Ron Kichler, Arpad Dobrentey and all other tobacco growers and producers, including any successors or assigns, who sold their tobacco through the

Ontario Flue-Cured Tobacco Growers' Marketing Board pursuant to the annual Heads of Agreement made with ITCAN, RBH and JTIM from January 1, 1986 to December 31, 1996, and "**Tobacco Producer**" means any one of them.

"**Tobacco Producers' Actions**" means the uncertified class actions enumerated in the definition of "Tobacco Producers Claim" in the CCAA Plan.

"**Tobacco Producers Claim**" means any Claim that has been advanced, could have been advanced or could be advanced in the following class actions or in any other similar proceedings, whether before or after the Effective Time:

- (a) *The Ontario Flue-Cured Tobacco Growers' Marketing Board v. JTI-Macdonald Corp.* (Ontario Superior Court of Justice, Court File No. 1056/10CP);
- (b) *The Ontario Flue-Cured Tobacco Growers' Marketing Board v. Rothmans, Benson & Hedges Inc.* (Ontario Superior Court of Justice, Court File No. 64462 CP); and
- (c) *The Ontario Flue-Cured Tobacco Growers' Marketing Board v. Imperial Tobacco Canada Limited* (Ontario Superior Court of Justice, Court File No. 64757 CP);

including any such Claim that is a Section 5.1(2) Claim or Section 19(2) Claim.

"**Tobacco Producers Settlement Amount**" means the aggregate amount allocated from the Global Settlement Amount to be payable to the Ontario Flue-Cured Tobacco Growers' Marketing Board for the benefit of the Tobacco Producers, as set forth in Article 16, Sections 16.1, 16.2 and 16.3 herein. The Counsel for the Tobacco Producers' Fee is subject to the approval of the CCAA Court and shall be paid out of the Tobacco Producers Settlement Amount.

"**Tobacco Product**" means any product made in whole or in part of tobacco that is intended for human consumption or use, including any component, part, or accessory of or used in connection with a tobacco product, including cigarettes, tobacco sticks (intended for smoking and requiring further preparation before they are smoked), loose tobacco intended for incorporation into cigarettes, cigars, cigarillos, pipe tobacco, kreteks, bidis and smokeless tobacco (including chewing tobacco, nasal snuff and oral snuff), but does not include any Alternative Product.

"**Tobacco-related Disease**" means a disease or other illness or harm caused or contributed to by the use of or exposure (whether directly or indirectly) to a Tobacco Product.

"**Tobacco-Victim**" means any Individual who suffers or suffered from a Tobacco-related Disease.

"**Tobacco-Victim Claim**" is the QCAP Claim of a Tobacco-Victim which is submitted to the Claims Administrator using the Tobacco-Victim Claim Form.

"**Tobacco-Victim Claimant**" means a person who asserts a Tobacco-Victim Claim pursuant to the Quebec Administration Plan.

"**Twelve Pack-Years**" means the equivalent of a minimum of 87,600 cigarettes, namely any combination of the number of cigarettes smoked in a day multiplied by the number of days of

consumption insofar as the total is equal to or greater than 87,600 cigarettes. For example, Twelve Pack-Years equals:

- (a) 20 cigarettes a day for 12 years ($20 \times 365 \times 12 = 87,600$); or
- (b) 30 cigarettes a day for 8 years ($30 \times 365 \times 8 = 87,600$); or
- (c) 10 cigarettes a day for 24 years ($10 \times 365 \times 24 = 87,600$).

“Unaffected Claims” means, collectively:

- (a) any Alternative Product Claim;
- (b) any Claim by a Person relating to the right to enforce against any Released Party its obligations under any of the Definitive Documents;
- (c) any Claim secured by the CCAA Charges;
- (d) any Cash Management Bank Claim;
- (e) any Employee Priority Claim;
- (f) any Government Priority Claim;
- (g) any Claim in respect of CCAA Plan Administration Reserve Costs;
- (h) any Claim in respect of the PCC Compensation Plan Reserve Costs;
- (i) any Secured Claim that is not a Tobacco Claim;
- (j) any Claim for Costs by the Monitor, the CCAA Plan Administrator, the Claims Administrator, the Administrative Coordinator, the Court-Appointed Mediator, including their respective legal or other advisors, or counsel to Imperial, subject to the applicable terms in connection therewith under the CCAA Plan;
- (k) any Claim by any Director under any directors’ or officers’ indemnity policy or agreement with Imperial to the extent not otherwise covered by the CCAA Charges;
- (l) any Intercompany Services Claim;
- (m) any Intercompany Claim, subject to the terms of Article 5, Section 5.15;
- (n) any Claim by a supplier against Imperial for the supply of goods or services other than a Tobacco Claim;
- (o) any Claim against Imperial relating to environmental remediation pursuant to Applicable Law;

- (p) any Claim by Canada or any Province or Territory against any Released Party relating in any manner to:
- (i) except as otherwise contemplated in the CCAA Plan, any applicable federal, provincial or territorial sales taxes, federal excise taxes and customs and import duties, federal, provincial and territorial tobacco taxes, and any other taxes of any kind whatsoever applicable to any Released Party, and
 - (ii) such Released Party's compliance with any Applicable Law and statutes and the regulations made thereunder, except for liability for actions or omissions occurring prior to the Effective Time in respect of a Tobacco Claim;
- (q) any Claim in respect of ITCAN's obligation to pay the balance owed under the Comprehensive Agreement dated July 31, 2008 between ITCAN, Canada and the Provinces which settled the claims by Canada and the Provinces against ITCAN regarding the trade of contraband products in Canada and related tax collection matters; and
- (r) any Claim by any Person under any contract with Imperial that has not been disclaimed and which Claim is not a Tobacco Claim;
- and, for greater certainty, shall include any Unaffected Claim arising through subrogation.

"Unaffected Creditor" means a Person who has an Unaffected Claim.

"Upfront Contributions" has the meaning given in Article 5, Section 5.4, and "Upfront Contribution" means any one of them.

"US Bankruptcy Code" means title 11 of the United States Bankruptcy Code 11 U.S.C. §§ 101 – 1532, as amended.

"US Bankruptcy Court" means the United States Bankruptcy Court, Southern District of New York.

"Virtual Data Room" has the meaning given in Article 10, Section 10.10.

"Voting Claim" means the amount of the Affected Claim of an Affected Creditor as finally determined for voting purposes in accordance with the Statements of Negative Notice Claims, the Claims Procedure Order and the Meeting Order entitling such Affected Creditor to vote at the Meeting in accordance with the provisions of the Meeting Order, the CCAA Plan and the CCAA.

1.2 Certain Rules of Interpretation

For the purposes of the CCAA Plan:

- (a) Any reference in the CCAA Plan to an Order or an existing document or exhibit filed or to be filed means such Order, document or exhibit as it may have been or may be amended, modified, or supplemented;
- (b) Unless otherwise specified, all references to currency are in Canadian dollars;

- (c) The division of the CCAA Plan into “articles” and “sections” and the insertion of a table of contents are for convenience of reference only and do not affect the construction or interpretation of the CCAA Plan, nor are the descriptive headings of “articles” and “sections” intended as complete or accurate descriptions of the content thereof;
- (d) The use of words in the singular or plural, or with a particular gender, including a definition, will not limit the scope or exclude the application of any provision of the CCAA Plan or a schedule hereto to such Person (or Persons) or circumstances as the context otherwise permits;
- (e) The words “includes” and “including” and similar terms of inclusion will not, unless expressly modified by the words “only” or “solely”, be construed as terms of limitation, but rather will mean “includes but is not limited to” and “including but not limited to”, so that references to included matters will be regarded as illustrative without being either characterizing or exhaustive;
- (f) Unless otherwise specified, all references to time herein and in any document issued pursuant hereto mean local time in Toronto, Ontario and any reference to an event occurring on a Business Day means prior to 5:00 p.m. (Eastern time) on such Business Day;
- (g) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done will be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next succeeding Business Day if the last day of the period is not a Business Day;
- (h) Unless otherwise provided, any reference to a statute or other enactment of parliament or a legislature includes all regulations made thereunder, all amendments to or re-enactments of such statute or regulations in force from time to time, and, if applicable, any statute or regulation that supplements or supersedes such statute or regulation;
- (i) References to a specified “article” or “section” will, unless something in the subject matter or context is inconsistent therewith, be construed as references to that specified article or section of the CCAA Plan, whereas the terms “the CCAA Plan”, “hereof”, “herein”, “hereto”, “hereunder” and similar expressions will be deemed to refer generally to the CCAA Plan and not to any particular article, section or other portion of the CCAA Plan and includes any documents supplemental hereto; and
- (j) When a capitalized term used in the CCAA Plan references a definition in any other document, the CCAA Plan shall be interpreted as if the definition in that other document is included in the CCAA Plan.

1.3 Governing Law and Jurisdiction

The CCAA Plan and all Definitive Documents shall be governed and construed in accordance with the laws of the Province of Ontario and the Applicable Laws of Canada, save for the Chapter 15 Proceeding which shall be subject to the jurisdiction of the US Bankruptcy Court, and the

administration of the QCAP Claims Process pursuant to the Quebec Administration Plan which shall be governed by the laws of the Province of Quebec and the Applicable Laws of Canada.

1.4 Schedules

The following are the Schedules to the CCAA Plan, which are incorporated by reference into the CCAA Plan and form an integral part of it:

- Schedule “A”: Negative Notice Claims Package (comprised of Statement of Negative Notice Claim (Schedule “A-1”) and the Notice of Dispute of Negative Notice Claim (Schedule “A-2”)
- Schedule “B”: Claims Package (comprised of Miscellaneous Claims Instruction Letter (Schedule “B-1”) and the Miscellaneous Claimant Proof of Claim (Schedule “B-2”)
- Schedule “C”: Omnibus Notice
- Schedule “D”: Omnibus Notice Program (comprised of condensed version of the Omnibus Notice (Appendix “A”) and the list of the regional newspapers in which the Omnibus Notice will be published (Appendix “B”)
- Schedule “E”: Contribution Security Agreement
- Schedule “F”: Deed of Moveable Hypothec
- Schedule “G”: Harrison Report
- Schedule “H”: Curriculum Vitae of Dr. Glenn Harrison
- Schedule “I”: Jha Report
- Schedule “J”: Curriculum Vitae of Dr. Prabhat Jha
- Schedule “K”: Quebec Class Action Administration Plan
- Schedule “L”: Overview of Epiq’s complex claims administration experience
- Schedule “M”: Curriculum of Daniel Shapiro, K.C.
- Schedule “N”: Pan-Canadian Claimants’ Compensation Plan: Methodology and Analysis dated October 17, 2024
- Schedule “O”: Analysis of Limitations Law applicable to Pan-Canadian Claimants dated September 2, 2020
- Schedule “P”: Pan-Canadian Claimants’ Compensation Plan dated October 17, 2024
- Schedule “Q”: Resume of Dr. Robert Bell

Schedule “R”:	Curriculum vitae of Dr. Robert Bell
Schedule “S”:	The Cy-près Fund: Methodology and Analysis dated October 17, 2024
Schedule “T”:	Claimant Contractual Release – ITCAN and ITCO
Schedule “U”:	List of Health Care Costs Recovery Actions of the Provinces and HCCR Claims asserted by Territories
Schedule “V”:	List of Actions commenced under Provincial Class Proceedings Legislation
Schedule “W”:	List of Actions commenced by Individuals
Schedule “X”:	Provincial and Territorial Liaison Committee Terms

ARTICLE 2. PURPOSE AND EFFECT OF THE CCAA PLAN

2.1 Purpose

The purposes of the CCAA Plan are to:

- (a) Effect a full and final settlement and irrevocable compromise of all Tobacco Claims;
- (b) Effect a release, discharge and bar of all Released Claims;
- (c) Eliminate liability for all Tobacco Claims for actions up to the Effective Time;
- (d) Effect the distributions of the Global Settlement Amount to the Claimants as set forth in Article 16, Sections 16.1, 16.2 and 16.3 herein;
- (e) Provide for the disposition and resolution of all Pending Litigation;
- (f) Effect the transfer of all of Imperial’s assets, Indebtedness, liabilities and business relating to its current and future Alternative Products (“**Alternative Products Business**”) to an unrelated company, a Canadian Affiliate of its Parent, or a Canadian Subsidiary of any other company within its Tobacco Company Group (“**Newco**”); and
- (g) Permit Imperial to exit this CCAA Proceeding and continue to carry on its business as a going concern.

2.2 Exclusion of Alternative Products from CCAA Plan

Alternative Products are excluded from the CCAA Plan. The CCAA Plan shall not be applicable to any right or claim against Imperial or any member of its Tobacco Company Group relating to its development, manufacture, production, marketing, advertising, distribution, purchase or sale of Alternative Products, use of or exposure to Alternative Products, representations in respect of Alternative Products or otherwise in connection with Alternative Products. For greater certainty, the CCAA Plan shall not release any such rights or claims relating to Alternative Products against Imperial or members of its Tobacco Company Group.

ARTICLE 3. CLAIMS PROCEDURE, CLASSIFICATION OF AFFECTED CREDITORS, VOTING, PROCEDURE FOR SANCTION HEARING AND RELATED MATTERS

3.1 Claims Procedure

3.1.1 CCAA Court Hearing regarding Claims Procedure

The procedure for determining the validity and quantum of the Affected Claims for voting purposes shall be governed by the Statements of Negative Notice Claims, the Claims Procedure Order, the Meeting Order, the CCAA, the CCAA Plan and any other Order of the CCAA Court, as applicable.

The Court-Appointed Mediator and the Monitor will make a motion to the CCAA Court for Orders:

- (a) Approving the filing of the CCAA Plan;
- (b) Approving the Claims Procedure set forth in the Claims Procedure Order;
- (c) Approving the Omnibus Meeting Notice and the Omnibus Meeting Notice Program which shall include the timetable for the implementation of the Omnibus Meeting Notice Program; and
- (d) Approving the Meeting Order, including setting the Meeting Date, approving the classification of the Affected Creditors into one single class for the purpose of considering and voting on the CCAA Plan at the Meeting, and authorizing the Claimants' Representatives to vote on the CCAA Plan in person or by proxy at the Meeting.

3.1.2 Claims Procedure for Negative Notice Claims

The procedure for addressing Negative Notice Claims shall be governed by the terms of the Claims Procedure Order including the schedules thereto. Notwithstanding the foregoing, the Monitor, in consultation with the Court-Appointed Mediator, may make minor non-substantive changes to the Negative Notice Claims Package as they may consider necessary or desirable.

As soon as practicable after the date of the Claims Procedure Order, the Monitor shall cause to be sent to each Claimant a Negative Notice Claims Package which will contain a Statement of Negative Notice Claim that specifies, for voting purposes, the amount and number of votes ascribed to such Claimant's Negative Notice Claim. Attached to the CCAA Plan as Schedule "A" is the Negative Notice Claims Package comprised of the Statement of Negative Notice Claims (Schedule "A-1") and the Notice of Dispute of Negative Notice Claim (Schedule "A-2"). The Negative Notice Claims Package shall be deemed to have been received by each Claimant on the Negative Notice Issuance Date.

If a Claimant wishes to dispute the amount of its Affected Claim for voting purposes and the number of votes associated therewith as set forth in the relevant Statement of Negative Notice Claim, the Claimant shall deliver to the Monitor a Notice of Dispute of Negative Notice Claim by no later than the Negative Notice Bar Date, failing which the Claimant shall be conclusively and

irrevocably deemed to have accepted the Statement of Negative Notice and the value and number of votes associated with its Affected Claim solely for the purpose of voting on the CCAA Plan at the Meeting.

The Monitor, in consultation with the Court-Appointed Mediator, shall review any Notice of Dispute of Negative Notice Claim received and shall attempt to resolve such dispute with the relevant Claimant following receipt of the Notice of Dispute of Negative Notice Claim. In the event that the dispute is not settled, the Monitor shall refer the dispute to the CCAA Court, and provide timely notice of such hearing date to the disputing Claimant.

Unless any dispute of a Statement of Negative Notice Claim results in a revision to the value or number of votes associated with the relevant Affected Claim pursuant to the terms of the Claims Procedure Order, each of the Claimants shall be entitled to vote at the Meeting in accordance with the value and number of votes set forth on the applicable Statements of Negative Notice Claim.

Except as may be required by the Meeting Order, no further steps shall be required to be taken by any of the Claimants in order for them to be able to be present and vote at the Meeting.

3.1.3 Claims Procedure for Persons, other than Claimants or Individual Claimants, to assert a Claim

The Claims Procedure for Persons, other than Claimants or Individual Claimants, to file a Claim and assert the right to attend at the Meeting and vote on the CCAA Plan shall be governed by the terms of the Claims Procedure Order and schedules thereto. Save for establishing the entitlement of certain Persons to vote on the CCAA Plan, the Claims Procedure shall not constitute, nor may it be construed as, an acceptance by the CCAA Court, the Court-Appointed Mediator, the Monitor and/or Imperial of the existence, validity or value of any Claim asserted in a Miscellaneous Claimant Proof of Claim filed thereunder, including for distribution purposes under the CCAA Plan which shall be determined in accordance with the Miscellaneous Claims Procedure.

The solicitation of Miscellaneous Claimant Proofs of Claim, and the filing by any Person of any Miscellaneous Claimant Proof of Claim, shall not grant such Person any rights, including without limitation, in respect of the nature, quantum and priority of its Claims or its standing in the CCAA Proceedings, except the rights specifically set out in the Claims Procedure Order.

3.1.3.1 Notification Procedure

Attached to the CCAA Plan are the following schedules relating to the notification procedure for the Claims Procedure:

- (a) Schedule “B” is the Claims Package comprised of the Miscellaneous Claims Instruction Letter (Schedule “B-1”) and the Miscellaneous Claimant Proof of Claim (Schedule “B-2”);
- (b) Schedule “C” is the Omnibus Notice; and

- (c) Schedule “D” is the Omnibus Notice Program which includes a condensed version of the Omnibus Notice (Appendix “A” to Schedule “D”) and the list of the regional newspapers in which the Omnibus Notice will be published (Appendix “B” to Schedule “D”).

The Monitor shall cause the Claims Procedure Order, the Omnibus Notice and the Claims Package to be posted to the Monitor’s website within five Business Days following the date of the Claims Procedure Order. The Monitor shall also cause the Omnibus Notice, the Claims Package and the Claims Procedure Order to be sent to: (i) each Person that appears on the Common Service List within five Business Days following the date of the Claims Procedure Order; and (ii) any Person that has identified itself in writing to the Monitor prior to the Miscellaneous Claims Bar Date as a Putative Miscellaneous Claimant, as soon as reasonably practicable thereafter.

Reasonable compliance with the notice program set forth in the Omnibus Notice Program shall constitute good and sufficient service and delivery of notice of the Claims Procedure Order and the Miscellaneous Claims Bar Date on all Persons that may be entitled to receive notice, and no other notice or service need be given or made and no other document or material need be sent to or served upon any Person in respect of the Claims Procedure Order.

3.1.3.2 Miscellaneous Claims Bar Date

In order for a Person, other than a Claimant or an Individual Claimant, to assert a Claim and be permitted to attend the Meeting and vote thereat, such Person must file a Miscellaneous Claimant Proof of Claim with the Monitor by the Miscellaneous Claims Bar Date. Only such Persons who have filed a Miscellaneous Claimant Proof of Claim by the Miscellaneous Claims Bar Date shall be entitled to attend and vote on the CCAA Plan at the Meeting as a Putative Miscellaneous Claimant.

If a Person holding any Pre-Implementation Miscellaneous Claim fails to file a Miscellaneous Claimant Proof of Claim by the Miscellaneous Claims Bar Date, in addition to being barred from attending the Meeting and voting on the CCAA Plan, such Person:

- (a) shall be forever barred, estopped and enjoined from asserting any Pre-Implementation Miscellaneous Claim under the Miscellaneous Claims Procedure;
- (b) shall not be entitled to receive any distribution under the CCAA Plan in respect of any such Pre-Implementation Miscellaneous Claim, including from the Miscellaneous Claims Fund; and
- (c) shall be bound by and subject to the Release and injunctions set forth in Article 18, Section 18.1 of the CCAA Plan in respect of any such Pre-Implementation Miscellaneous Claim.

The filing by any Person of a Miscellaneous Claimant Proof of Claim shall not constitute a determination of the existence, validity or value of such Miscellaneous Claim and shall not entitle such Person to any distribution under the CCAA Plan, or otherwise. For certainty, subject to a Miscellaneous Claimant Proof of Claim being filed by the Miscellaneous Claims Bar Date, provided that the CCAA Plan is approved by the Affected Creditor Class, sanctioned by the CCAA Court, and implemented, any Person who purports to have a Miscellaneous Claim shall be obliged

to follow the procedure set forth in the Miscellaneous Claims Procedure to prove the existence, validity and value of such Miscellaneous Claim.

Any Miscellaneous Claimant Proof of Claim in a foreign currency that is filed with the Monitor shall be converted by the Monitor to Canadian dollars at the applicable Bank of Canada exchange rate at 12:00 pm on March 8, 2019.

3.1.3.3 Monitor's Role for Purposes of the Meeting and the Vote

In addition to its prescribed rights, duties, responsibilities and obligations under the CCAA, the Initial Order and any other Orders of the Court in the CCAA Proceeding, the Monitor shall administer the Claims Procedure and take such other actions and fulfill such other roles as are authorized by the Claims Procedure Order or incidental thereto. The Monitor shall seek such assistance as may be reasonably required from the Court-Appointed Mediator, Imperial and the Claimants, as applicable, to carry out the terms of the Claims Procedure Order.

Subject to the approval of the CCAA Court, the Monitor, in consultation with the Court-Appointed Mediator, will be authorized pursuant to the Claims Procedure Order to use its reasonable discretion as to the adequacy of compliance with respect to the manner and timing in which forms delivered pursuant to the Claims Procedure Order are completed and executed, and may, where it is satisfied that a Miscellaneous Claimant Proof of Claim has been adequately filed, waive strict compliance with the requirements of the Claims Procedure Order as to completion and execution of such forms. Notwithstanding any other provision of the Claims Procedure Order, any Miscellaneous Claimant Proof of Claim filed with the Monitor after the Miscellaneous Claims Bar Date but prior to the Meeting may, in the reasonable discretion of the Monitor or subject to further Order of the Court, be deemed to have been filed before the Miscellaneous Claims Bar Date, and may be treated by the Monitor in accordance with the Claims Procedure.

The Monitor shall receive and keep a record of all Miscellaneous Claimant Proofs of Claim filed in order to prepare a list of Persons, in addition to the Claimants, entitled to attend and vote at the Meeting, but the Monitor shall not be required to make any inquiry or assessment as to the validity or quantification of any such Miscellaneous Claimant Proofs of Claim that it may receive, provided that the Monitor shall be entitled, in its sole discretion, to seek further direction from the CCAA Court with respect to any Miscellaneous Claimant Proof of Claim filed if the Monitor considers such direction necessary, including for the conduct of the Meeting.

Notwithstanding the foregoing, the Monitor shall not take into consideration any Miscellaneous Claimant Proof of Claim filed either by an Individual Claimant or on behalf of any group of Individual Claimants, as all Individual Claimants are represented by either the PCC Representative Counsel or the Quebec Class Counsel, as the case may be. For greater certainty, no Individual Claimant nor any Person purporting to represent any Individual Claimants (other than the PCC Representative Counsel and Quebec Class Counsel) shall be permitted to attend or vote at the Meeting.

At the Meeting, the Monitor shall keep distinct ledgers in order to tally the votes of all Persons that file a Miscellaneous Claimant Proof of Claim separately from the votes of the Claimants, and it shall report to the CCAA Court on the results recorded on each such ledger at the Sanction Hearing.

Notwithstanding the foregoing, and without accepting the existence, validity or value of any Miscellaneous Claimant Proof of Claim received, any votes recorded by the Monitor for such Persons shall be deemed to be included in the Affected Creditor Class in accordance with the Meeting Order.

3.2 Classification of Creditors

In accordance with the Meeting Order, the Affected Creditors shall be placed into one single class for the purpose of considering and voting on the CCAA Plan at the Meeting.

3.3 Meeting of Affected Creditors

The Meeting shall be held in accordance with the CCAA Plan, the Meeting Order and any further Order of the CCAA Court. The only Persons entitled to attend and vote on the CCAA Plan at the Meeting are those specified in the Meeting Order and any further Order of the CCAA Court.

3.4 Approval by Creditors

In order to be approved, the CCAA Plan must receive the affirmative vote of the Required Majority of the Affected Creditor Class.

3.5 Voting of the Affected Creditor Class

The Affected Creditors in the Affected Creditor Class who are entitled to vote at the Meeting, pursuant to and in accordance with the Claims Procedure Order, the Meeting Order, the CCAA Plan and the CCAA, shall be entitled to the following number of votes representing the amount equal to their respective Voting Claims:

- (a) The Quebec Class Action Plaintiffs shall be entitled to a total of 99,958 votes;
- (b) The Pan-Canadian Claimants shall be entitled to a total of 186,003 votes;
- (c) Each Province shall be entitled to a total of 1 vote;
- (d) Each Territory shall be entitled to a total of 1 vote;
- (e) Canada shall be entitled to a total of 1 vote;
- (f) The Ontario Flue-Cured Tobacco Growers' Marketing Board plus the Tobacco Producers shall be entitled to a total of 3,930 votes; and
- (g) The *Knight* Class Action Plaintiffs shall be entitled to a total of 1 vote.

In addition to the foregoing, any Putative Miscellaneous Claimant that files a Miscellaneous Claimant Proof of Claim in conformity with the Claims Procedure shall be entitled to a total of 1 vote.

3.6 Unaffected Creditors

No Unaffected Creditor, in respect of an Unaffected Claim, shall be entitled to:

- (a) vote on the CCAA Plan;
- (b) attend the Meeting; or
- (c) receive any distributions pursuant to the CCAA Plan, other than its right to have its Unaffected Claim addressed in accordance with Article 3, Section 3.7 of the CCAA Plan.

3.7 Treatment of Unaffected Claims

Unaffected Claims are not compromised by the CCAA Plan and shall remain in full force and effect in accordance with their terms. Subject to Article 5, Section 5.15, Unaffected Claims shall be paid by Imperial in the normal course of operations as and when they become due, further subject only to Imperial's rights and defences, both legal and equitable, with respect to any Unaffected Claim, including any entitlement to set-off, compensation or recoupment.

3.8 Extinguishment of Claims

At the Effective Time, in accordance with the terms of the CCAA Plan and the Sanction Order, the treatment of Affected Claims and Released Claims will be final and binding on Imperial, the Affected Creditors, and any Person with an Affected Claim or a Released Claim. Save and except as set out in the CCAA Plan, the Released Parties will have no further obligation whatsoever in respect of the Affected Claims and the Released Claims, as applicable.

3.9 Guarantees and Similar Covenants

No Person who has a Claim under any guarantee, surety, indemnity or similar covenant in respect of any Claim that is compromised and released under the CCAA Plan or who has any right to claim over in respect of, or to be subrogated to, the rights of any Person in respect of a Claim that is compromised under the CCAA Plan will be entitled to any greater rights as against Imperial than the Person whose Claim is compromised under the CCAA Plan.

3.10 Procedure for Sanction Hearing

3.10.1 CCAA Court Hearing regarding Procedure for Sanction Hearing

Subsequent to the Meeting, the Court-Appointed Mediator and the Monitor will report to the CCAA Court regarding the results of the vote on the CCAA Plan at the Meeting. If the CCAA Plan received the affirmative vote of the Required Majority of the Affected Creditor Class, then the Monitor will make a motion to the CCAA Court for Orders:

- (a) Setting the date for the Sanction Hearing;

- (b) Approving the Omnibus Sanction Hearing Notice and the Omnibus Sanction Hearing Notice Program, including the timetable for implementation of the Omnibus Sanction Hearing Notice Program;
- (c) Setting the date for the filing of any Sanction Hearing Objection Notices with the Monitor which will be dealt with at the Sanction Hearing;
- (d) Establishing the litigation timetable leading up to the Sanction Hearing, including the dates for the filing of motion records, factums and any reply motion materials; and
- (e) Establishing the agenda and procedure for the Sanction Hearing.

3.10.2 Omnibus Sanction Hearing Notice

The form and content of the Omnibus Sanction Hearing Notice and the manner and extent of publication of such notice are subject to the approval of the CCAA Court. By no later than 5:00 p.m. (Eastern time) on the 30th calendar day prior to the Sanction Hearing, the Monitor shall cause the Omnibus Sanction Hearing Notice to be sent in accordance with the Omnibus Sanction Hearing Notice Program:

- (a) To each Person that appears on the Common Service List;
- (b) To any Person known to Imperial or the Monitor as having a potential Affected Claim based on the books and records of Imperial that is not captured in any Statement of Negative Notice Claim or in any Miscellaneous Claimant Proof of Claim;
- (c) To any Putative Miscellaneous Claimant who has identified itself to Imperial and/or the Monitor prior to the publication of the Omnibus Sanction Hearing Notice; and
- (d) By way of general notice to any other Persons in Canada who may potentially be affected by the CCAA Plan as a Putative Miscellaneous Claimant.

The Omnibus Sanction Hearing Notice will:

- (a) Include attached as a schedule the CCAA Plan;
- (b) Specify the date, time and mode of hearing of the Sanction Hearing;
- (c) Advise that at the Sanction Hearing the Court-Appointed Mediator and the Monitor will be seeking the granting of the Sanction Order sanctioning the CCAA Plan under the CCAA and ancillary relief relating to such sanction; and
- (d) Advise that any Putative Miscellaneous Claimant who wishes to oppose the granting of the Sanction Order must serve on all Persons on the Common Service List and file with the CCAA Court a copy of the materials to be used to oppose the Sanction Order by no later than 5:00 p.m. (Eastern time) 14 calendar days prior to the Sanction Hearing. The materials delivered by any Person desiring to oppose the granting of the Sanction Order shall specify their objection with particularity and the remedies, if any, that are sought.

3.10.3 Omnibus Sanction Hearing Notice Program

The Omnibus Sanction Hearing Notice Program is subject to the approval of the CCAA Court. It will be designed to effectively reach as many Persons across Canada as possible, including any Putative Miscellaneous Claimants, and capture their attention with notice of the Sanction Hearing communicated in clear, concise, plain language so that such Persons may fully understand their rights and options.

A pan-Canadian notice program will be implemented to widely communicate the Omnibus Sanction Hearing Notice throughout Canada using various mediums and platforms.

3.10.4 Sanction Hearing

If the CCAA Plan receives the affirmative vote of the Required Majority of the Affected Creditor Class at the Meeting in conformity with the Meeting Order and the CCAA, then the Monitor will make a motion to the CCAA Court for Orders:

- (a) Approving and sanctioning the CCAA Plan and ordering the releases and injunctions necessary to implement the CCAA Plan and give effect to the settlement contemplated thereby;
- (b) Authorizing and directing Imperial, the Monitor, the Claimants, the Claimants' Representatives and other Persons as applicable to take all steps and actions and to do all things necessary or appropriate to implement and give effect to the transactions contemplated by the CCAA Plan in accordance with and subject to its terms and conditions; and
- (c) Granting such other relief as necessary, appropriate and the CCAA Court may allow to implement and give effect to the transactions contemplated by the CCAA Plan.

ARTICLE 4. RESTRUCTURING STEPS

4.1 Transfer of Alternative Products Business to NewCo

On a date to be agreed between Imperial and the CCAA Plan Administrators, Imperial shall take actions as may be necessary or appropriate to effect the restructuring of its business by transferring its Alternative Products Business to Newco. Such actions may include: (i) the execution and delivery of appropriate articles, agreements or other documents of incorporation, merger, amalgamation, consolidation, arrangement, continuation, restructuring or other transactions containing terms that are consistent with the terms of the CCAA Plan; (ii) the execution and delivery of appropriate instruments of transfer, assignment, assumption including, where applicable, with respect to the assumption of liabilities upon the transfer or assignment of assets on terms consistent with the terms of the CCAA Plan in each case without the need to obtain any consent of any Person; (iii) the filing of appropriate articles, agreements or other documents of incorporation, merger, amalgamation, consolidation, arrangement, continuation, restructuring or other transaction with the appropriate Governmental Authorities under Applicable Laws; and (iv) all other actions that Imperial determines are necessary or appropriate to give effect to the transfer

of its Alternative Product Business to Newco, including the making of filings or recordings in connection with such transactions.

The organization, incorporating documents, articles, by-laws and other constating documents of Newco (including any shareholders agreement, shareholders rights plan and classes of share (voting and non-voting)) shall be in form and substance reasonably satisfactory to the Court-Appointed Mediator, the CCAA Plan Administrator and the Claimants.

All of the steps, terms, transactions and documents relating to the conveyance of the Alternative Product Business to Newco in accordance with the CCAA Plan shall be in form and in substance acceptable to the Court-Appointed Mediator, the CCAA Plan Administrator and the Claimants.

4.2 Restructuring Steps

At the Effective Time, the following will occur and be deemed to have occurred in the order set out below unless otherwise specified in this Article 4 and become effective without any further act or formality:

- (a) Imperial shall deposit its Upfront Contribution into the Global Settlement Trust Account;
- (b) The timing and details of the transfer of Imperial's Alternative Products Business to Newco are to be agreed between Imperial and the CCAA Plan Administrator;
- (c) The Contribution Security Agreement and the Deed of Moveable Hypothec will become effective;
- (d) The Sales and Excise Tax Charge and Directors' Charge will be terminated, discharged, expunged and released;
- (e) The amount of \$25.0 million shall be paid out of Imperial's Upfront Contribution and deposited into the CCAA Plan Administration Reserve Account to establish the CCAA Plan Administration Reserve;
- (f) The amount of \$5.0 million shall be paid out of the total Upfront Contributions from the Tobacco Companies and deposited into the PCC Compensation Plan Reserve Account to establish the PCC Compensation Plan Reserve;
- (g) The distributions that are required to be paid to the Claimants on the Plan Implementation Date shall be paid in full as set forth in the CCAA Plan;
- (h) All Affected Claims and Released Claims will be fully, finally, irrevocably and forever released, discharged, barred and enjoined in accordance with Article 3, Section 3.8 and Article 18, Sections 18.1 to 18.1.10, and all notes, certificates and other instruments evidencing Affected Claims and Released Claims (and all guarantees associated with each of the foregoing) will be deemed cancelled and extinguished and be null and void in accordance with Article 17, Section 17.9;
- (i) The Claimant Contractual Release will become effective in accordance with its terms; and

(j) The Stay Period will terminate,

(collectively, the “**Restructuring Steps**”). The failure of the CCAA Plan to incorporate any provision of a document evidencing a Restructuring Step will not derogate from the enforceability of such provision.

4.3 Corporate Approvals

At the Effective Time, all corporate actions of Imperial contemplated by the CCAA Plan, including the transfer of Imperial’s Alternative Product Business to Newco, shall be deemed to have been authorized and approved in all respects (subject to the provisions of the CCAA Plan). All matters provided for in the CCAA Plan shall be deemed to have timely occurred, in accordance with Applicable Laws, and shall be effective, without any requirement of further action by the Affected Creditors, directors, officers, or managers of Imperial. On the Plan Implementation Date, the appropriate directors and officers of Imperial shall be authorized and directed to issue, execute and deliver the agreements, documents, securities and instruments contemplated by the CCAA Plan including with respect to the transfer of Imperial’s Alternative Product Business to Newco, in the name of and on behalf thereof.

ARTICLE 5. CCAA PLAN CONSIDERATION

5.1 Global Settlement Amount

The global settlement amount under the CCAA Plan shall be **\$32.5 billion** (the “**Global Settlement Amount**”).

5.2 Allocation among the Tobacco Companies of the Global Settlement Amount

The issue of allocation of the Global Settlement Amount as between the Tobacco Companies in the three CCAA Proceedings remains unresolved.

5.3 Global Settlement Trust Account and Supplemental Trust Account

The Tobacco Companies shall deposit their respective Contributions, less applicable Reserved Amounts, into a segregated interest-bearing trust account or trust accounts, and such monies in the aggregate shall constitute the “**Global Settlement Trust Account**”. The Tobacco Companies shall deposit their respective Reserved Amounts into a designated trust account or trust accounts, and such monies in aggregate shall constitute the “**Supplemental Trust Account**” (for greater certainty, a separate Supplemental Trust Account shall be established and maintained for each Tobacco Company). The Global Settlement Trust Account and Supplemental Trust Account shall be held in Schedule I Chartered Banks designated by the CCAA Plan Administrators, or in a syndicate of Schedule I Chartered Banks which may include such financial institutions as may be approved and designated by the CCAA Plan Administrators (“**Bank**”).

5.4 Upfront Contributions

On or before the Plan Implementation Date, each Tobacco Company shall make a cash contribution which shall be deposited into the Global Settlement Trust Account (collectively, the

“Upfront Contributions”). The Upfront Contributions shall equal the aggregate of each Tobacco Company’s cash and cash equivalents generated from all sources by each Tobacco Company as at the month end prior to the Plan Implementation Date, plus the Cash Security Deposits, less the sum of \$750 million which shall be deducted from the aggregate amount. The aforesaid sum of \$750 million shall be inclusive of all amounts pledged by the Tobacco Companies to cash collateralize any outstanding letters of credit, surety or bonding obligations to the issuers thereof.

5.5 Reserved Amounts

Imperial shall make a cash payment equal to any Reserved Amounts into the Supplemental Trust Account. Imperial shall pay its Tax Refund Cash Payment into the Supplemental Trust Account within 30 days after its receipt of any applicable Tax Refund. If Imperial receives its Tax Refund(s) in instalments, it shall pay for deposit into the Supplemental Trust Account 100% of each instalment received within 30 days after its receipt of each instalment. Imperial shall pay its respective Annual Amount into the Supplemental Trust Account on or before the 30th day following its tax filing due date for the relevant taxation year in which the Annual Contribution is made (or in the case of the final calendar year of the Contribution Period, on or before the 182nd day following the end of the Contribution Period). Imperial shall pay its respective Carry Amount into the Supplemental Trust Account within 30 days after its tax filing due date for the taxation year to which the relevant Tax Attribute is carried forward (or in the case of the final calendar year of the Contribution Period, on or before the 182nd day following the end of the Contribution Period).

For certainty and to avoid duplication, any Tax Refund in respect of the Upfront Contributions will not be taken into account in the Metric used to compute the Annual Contributions. Reserved Amounts of Imperial shall be released from the Supplemental Trust Account in the following circumstances:

- (a) in respect of Annual Amounts and Carry Amounts, consistent with the treatment of the Annual Contributions provided for in this Plan and in the case of Tax Refund Cash Payment, 85.0% to the Claimants and 15.0% to Imperial, in each case, 30 days following the expiry of the last applicable federal, provincial or territorial Normal Reassessment Period in respect of the relevant taxation year of Imperial to which the Reserved Amount relates, being (i) in the case of an Annual Amount, the taxation year in which the relevant Annual Contribution is deducted in computing income for tax purposes, (ii) in the case of a Tax Refund Cash Payment, the taxation year to which the relevant Tax Refund relates and (iii) in the case of a Carry Amount, the taxation year to which the relevant Tax Attribute has been carried forward;
- (b) to a relevant Tax Authority in satisfaction of a notice of assessment or reassessment of income taxes (including any related assessed interest or penalties) of Imperial by a Tax Authority with the concurrence of the CCAA Plan Administrator (such concurrence not to be unreasonably withheld). Any amounts released to a Tax Authority on behalf of Imperial shall be excluded from the Contributions made by Imperial at any time; or
- (c) to Imperial, with the concurrence of the CCAA Plan Administrator (such concurrence not to be unreasonably withheld), following termination of the Contribution Period.

5.6 Annual Contributions

On or before the 30th day following the tax filing due date for Imperial of each calendar year during the Contribution Period (or in the case of the final calendar year of the Contribution Period, on or before the 182nd day following the end of the Contribution Period), Imperial shall deposit into the Global Settlement Trust Account payments calculated in accordance with the Metric (collectively, the “**Annual Contributions**”), until such time as the total Contributions, in the aggregate, equal the Global Settlement Amount.

The CCAA Plan provides that net after-tax income is used in the calculation of the Annual Contributions in accordance with a metric (“**Metric**”). The Metric is the method by which, on an annual basis, the profits of the operating business of Imperial and any additional realization of assets are calculated, excluding the Alternative Products business to be carved out in accordance with Section 5.7 (“**Net-After Tax Income**”). For greater certainty, the Metric will:

- (a) Be based on the amount generated from all sources by Imperial, excluding Alternative Products;
- (b) Include interest income;
- (c) Include the proceeds of any disposition of any assets, including capital assets and intangible assets;
- (d) Exclude one-time accounting adjustments that are non-operational in nature;
- (e) Exclude one-time restructuring and global settlement related adjustments that are non-operational in nature (for greater certainty, this includes the recognition of any global settlement liability and/or associated expense of that liability). Subparagraph (e) is not intended to exclude cash expenses associated with CCAA Plan implementation including:
 - (i) the Costs for the services of the CCAA Plan Administrators; (ii) the Costs for the services of the Claims Administrator (both as administrator and agent) in respect of the administration of the PCC Compensation Plan; (iii) the Costs for the services of the Administrative Coordinator; and (iv) the Costs for the services of the PCC Representative Counsel;
- (f) Exclude interest expense to related parties; and
- (g) Exclude any penalties and fines imposed by taxing and/or regulatory authorities.

The Annual Contributions required to be made for deposit into the Global Settlement Trust Account by Imperial for each year during the Contribution Period shall be calculated as follows:

- (a) In years 1-5 (adjusted to take into account any stub period as appropriate) following the Plan Implementation Date, **85.0%** of the amount calculated pursuant to the Metric;
- (b) In years 6-10 following the Plan Implementation Date, **80.0%** of the amount calculated pursuant to the Metric;

- (c) In years 11-15 following the Plan Implementation Date, **75.0%** of the amount calculated pursuant to the Metric; and
- (d) In year 16 following the Plan Implementation Date, **70.0%** of the amount calculated pursuant to the Metric, and continuing thereafter until the aggregate of the Contributions totals the Global Settlement Amount.

For greater certainty, the percentage of the Annual Contributions payable by Imperial shall commence at 85.0% in years 1-5 (adjusted to take into account any stub period as appropriate) following the Plan Implementation Date and, thereafter, shall be reduced in 5.0% increments every five years until the percentage reaches 70.0% in year 16, and shall continue fixed at 70.0% thereafter until such time as the Global Settlement Amount has been paid in full. Notwithstanding the foregoing and without limiting the Claimants' rights in respect of an Event of Default, Imperial shall only be permitted to reduce the percentage of the Annual Contributions by the next 5% increment provided that Imperial has made all of the payments of Annual Contributions due and owing for all prior periods.

The Annual Contributions to be made by Imperial for the first and final calendar years of the Contribution Period shall be pro-rated to ensure that the Global Settlement Amount is not exceeded.

5.7 Exclusion of Alternative Products from Metric

All revenues from Alternative Products and all proceeds from any disposition of any assets related to the Alternative Products shall be excluded from the Metric, and all capital expenditures, fees, costs, disbursements, indebtedness, liabilities, expenses and other expenditures of any kind whatsoever, irrespective of whether they are made in the Ordinary Course of Business, that are made in respect of or relating to any Alternative Products shall be excluded from the Metric and shall not be charged against the revenue from Tobacco Products. Within sixty days before the Plan Implementation Date, Imperial shall provide to the CCAA Plan Administrators a list of all its Tobacco Products that shall be included in the Metric and a list of all its Alternative Products that shall be excluded from the Metric.

5.8 Contribution Period

The Tobacco Companies shall only be required to pay Annual Contributions and Reserved Amounts into the Global Settlement Trust Account and Supplemental Trust Account during the period from the Plan Implementation Date to the date that the aggregate amount of the Contributions paid into the Global Settlement Trust Account equals the Global Settlement Amount (the "**Contribution Period**"), and upon payment of the Global Settlement Amount in full, the Tobacco Companies' obligations in respect of the CCAA Plan shall terminate. For greater certainty, the Contribution Period shall include the period of time during which any debt collection or other enforcement proceedings are pursued by any of the Claimants.

5.9 Several Liability

The obligations of the Tobacco Companies under their CCAA Plans to pay their respective Upfront Contributions, Annual Contributions and Reserved Amounts for deposit into the Global Settlement Trust Account and Supplemental Trust Account, shall be several and not joint and several.

5.10 No Admission of Liability

Nothing in the CCAA Plan or in any other Definitive Document is or shall be deemed to be an admission of fact or liability of any kind by any member of the Tobacco Company Group.

5.11 Retention/Transfer of Cash

During the Contribution Period, in each year until the end of the Contribution Period, Imperial shall retain its cash, cash equivalents and investments in Canada until such time as the Annual Contributions and Reserved Amounts owing in respect of that fiscal year have been deposited into the Global Settlement Trust Account or Supplemental Trust Account. Each year, after such deposit has been made in respect of that year, and provided that the amounts of the Annual Contribution and Reserved Amounts are not in dispute between the Parties, Imperial shall be free to deal in its sole discretion with its respective share of the Net After-Tax Income and Tax Refunds that, pursuant to the Metric, remain with Imperial, including being free to transfer or distribute such monies outside of Canada in such manner as Imperial may determine. Notwithstanding the foregoing, in the event that there is a dispute regarding the amount of Imperial's share of the Annual Contributions and/or the relevant Reserved Amounts:

- (a) Imperial shall preserve and retain in Canada the amount that is in dispute out of its share of the Net After-Tax Income and Tax Refunds in respect of that year until such time as such dispute is fully and finally resolved and the balance of the Annual Contribution and any relevant Reserved Amounts, if any, determined to be owing by Imperial to the Claimants has been deposited in full into the Global Settlement Trust Account and Supplemental Trust Account, and the Supplemental Trust Account, as applicable, or as otherwise ordered by the CCAA Court; and
- (b) Imperial shall be required to deposit into the Global Settlement Trust Account and the Supplemental Trust Account, as applicable, the amount of the Annual Contribution and/or Reserved Amounts, as applicable, that Imperial does not dispute is due and payable by it. After the dispute has been fully and finally resolved, Imperial shall be free to deal in its sole discretion with the balance remaining of its respective share of the Net After-Tax Income and Tax Refunds, including being free to transfer or distribute such monies outside of Canada in such manner as Imperial may determine.

Provided that it is not alleged that RBH and JTIM are in any way implicated or involved in, or responsible for, the dispute regarding the amount of Imperial's share of the Annual Contributions and/or the amount of Imperial's Tax Refund Cash Payments, RBH and JTIM shall be free to deal in their sole discretion with their respective shares of the Net After-Tax Income and Tax Refunds that, pursuant to the Metric, remain with RBH and JTIM, as applicable, including being free to transfer or distribute such monies outside of Canada in such manner as RBH and JTIM may determine.

5.12 Transparency of Payments by Tobacco Companies

The amounts of all Contributions and Reserved Amounts paid by Imperial pursuant to the terms of the CCAA Plan shall be fully disclosed to the Provinces and Territories and counsel for any Impacted Claimants, pursuant to and in accordance with the CCAA Plan Administrators Order, to enable the Provinces and Territories and any Impacted Claimants to verify that the Contributions and Reserved Amounts have been calculated accurately in accordance with the Metric and all other applicable terms of the Definitive Documents. For greater certainty, the Tobacco Companies shall not merge their Contributions and Reserved Amounts and then blindly deposit them into the Global Settlement Trust Account.

5.13 Contribution Security

At least 10 Business Days prior to the Plan Implementation Date, Imperial and its Material Subsidiaries shall enter into an agreement (“**Contribution Security Agreement**”) granting security, including a Deed of Moveable Hypothec, to the Collateral Agent for the exclusive benefit of the Claimants over all of its present and after acquired assets, undertakings and properties and otherwise as may be agreed, to secure the obligations of Imperial to make the Annual Contributions and Reserved Amounts (the “**Contribution Security**”). Recourse to the Contribution Security shall only be available upon the occurrence of an Event of Default which is not cured pursuant to Article 12, Section 12.3. The Collateral Agent shall have no rights to enforce the Contribution Security in the event of the occurrence of a Breach. The Contribution Security Agreement is attached to the CCAA Plan as Schedule “E”, and the Deed of Moveable Hypothec as Schedule “F”.

The Collateral Agent, to be engaged, shall agree pursuant to the terms of an intercreditor agreement on market terms to be agreed, to subordinate the Contribution Security to (i) any statutory deemed trusts; and (ii) any security granted (or to be granted) by Imperial to any lender in connection with an operating facility on market terms with a principal amount that does not exceed an amount to be agreed in respect of Imperial.

Subject to the terms of an NDA entered into between Imperial and the Claimants, Imperial shall provide to the Claimants the full particulars regarding the assets, undertakings and properties over which Imperial and its Material Subsidiaries shall grant security.

5.14 Parent and Tobacco Company Group Support through Intercompany Transactions

During the Contribution Period, Imperial’s Parent and the relevant Affiliates within its Tobacco Company Group shall continue to provide to Imperial and its Subsidiaries shared services and other operational support (“**Intercompany Services**”) pursuant to the Intercompany Transactions that are in place on the Plan Implementation Date, or new Intercompany Services that are part of a broader operational restructuring among Imperial’s Tobacco Company Group. The provision of such Intercompany Services shall be (a) consistent with existing arrangements or past practice, or as otherwise approved by the CCAA Plan Administrators, and (b) in compliance with Applicable Law and subject to the Tobacco Company Group’s transfer pricing policies across global markets, and (c) subject to normal course market adjustments. Any adjustments to Intercompany Services within Imperial’s Tobacco Company Group shall not affect Imperial in a manner that is materially

less favourable as compared to the terms on which similar Intercompany Services are provided to any other members of Imperial's Tobacco Company Group. The chief financial officer of Imperial shall certify that any adjustments to the Intercompany Services are consistent with the treatment of the other companies within the Tobacco Company Group. Any such certification shall not give rise to any personal liability on the part of the applicable certifying officer.

Imperial, its Parent and the relevant Affiliates within its Tobacco Company Groups shall:

- (a) maintain and not make any revision to or variation of the terms of any Intercompany Transaction, including the withdrawal, termination or cessation of the Intercompany Transaction; and
- (b) shall maintain and not make any material change to its related party Canadian trademark and other intellectual property licensing arrangements, together with the structure and pricing methodology currently used for carrying on business in Canada,

except in compliance with the requirements set out in this Section 5.14.

In the event that Imperial is no longer Financially Viable due to circumstances beyond the control of Imperial or its Tobacco Company Group, Imperial's Parent may give the CCAA Plan Administrators, the Impacted Claimants and the other Tobacco Companies one year's notice of its intention to discontinue its Canadian operations. If the CCAA Plan Administrators are satisfied, based on the financial information made available to them by Imperial pursuant to the CCAA Plan, that Imperial is no longer Financially Viable due to circumstances beyond the control of Imperial or its Tobacco Company Group, then they will communicate such position to the Impacted Claimants. If the Impacted Claimants accept such position, then Imperial's Parent may discontinue the provision of shared services and other operational support on the date that the discontinuance takes effect.

The foregoing does not negate the prohibition against Imperial's Parent and relevant Affiliates within its Tobacco Company Group entering the market for Tobacco Products in Canada with any other company or entity in place of the discontinued business, or any other provision in the CCAA Plan except for the obligation to provide shared services and other operational support. For greater certainty, except through Imperial and its Material Subsidiary, Imperial's Parent and the relevant Affiliates within its Tobacco Company Group shall not directly or indirectly, including by (i) exporting or supplying Tobacco Products to Canada, (ii) licensing technology, trademarks and intellectual property, or (iii) providing services, engage in any business activity or have any direct or indirect involvement or participation in the market for Tobacco Products in Canada.

In the event that the CCAA Plan Administrators, Impacted Claimants or other Tobacco Companies do not accept the position of Imperial and its Parent regarding the Financial Viability of Imperial's Canadian operation, Imperial and its Parent may bring the issue before the CCAA Court for determination.

5.15 Payment of Intercompany Claims

Any Intercompany Claim outstanding and due by Imperial as at the Effective Time may only be repaid by Imperial from its share of the Net-After Tax Income and Tax Refunds that, pursuant to

the Metric, will remain with Imperial in each year after its Annual Contribution and any Tax Refund Cash Payments have been deposited into the Global Settlement Trust Account, the whole subject, however, to the terms of Article 5, Section 5.11 that govern the retention of its share of funds in the event that the amount of the Annual Contribution is in dispute.

ARTICLE 6. ADMINISTRATION OF THE GLOBAL SETTLEMENT AMOUNT

6.1 Allocation of the Global Settlement Amount

Set forth in Article 16, Sections 16.1, 16.2 and 16.3 herein are the terms that will govern the allocation of the Global Settlement Amount and the timing of the distributions thereof to the:

- (a) Quebec Class Action Plaintiffs;
- (b) Pan-Canadian Claimants;
- (c) Provinces and Territories;
- (d) Cy-près Foundation;
- (e) Tobacco Producers; and
- (f) *Knight* Class Action Plaintiffs.

6.2 Expert Evidence supporting Provincial HCCR Claims and Territorial HCCR Claims and Provincial and Territorial Allocation

Expert evidence informing, in part, and supporting the quantification of the Provincial HCCR Claims and the Territorial HCCR Claims, and the allocation of the Provincial Territorial Settlement Amount among the Provinces and Territories, includes the Harrison Report that is attached to this Plan as Schedule “G”. Dr. Harrison’s curriculum vitae is attached to the CCAA Plan as Schedule “H”. The Provinces and Territories Settlement Amount shall be apportioned among the Provinces and Territories in accordance with the percentages set out in the table in Article 16, Section 16.3.

6.3 Expert Evidence supporting the Pan-Canadian Claimants’ Compensation Plan

Expert evidence informing, in part, and supporting the development, formulation and quantification of the PCC Compensation Plan includes the Jha Report that is attached to this Plan as Schedule “I”. Dr. Jha’s curriculum vitae is attached to the CCAA Plan as Schedule “J”.

6.4 Consideration for Settlement of *Knight* Class Action

The consideration for the settlement of the *Knight* Class Action shall be the notional contribution to the Cy-près Fund and the payment of the *Knight* Class Counsel Fee.

6.5 Investment of Contributions and Reserved Amounts pending Disbursement

The Contributions and Reserved Amounts paid into the Global Settlement Trust Account and Supplemental Trust Account, PCC Trust Account, QCAP Trust Account and Cy-près Trust Account shall be invested in accordance with approved investment guidelines, pending disbursement to the Claimants and any other applicable payees.

ARTICLE 7. ESTABLISHMENT AND ADMINISTRATION OF QUEBEC CLASS ACTION ADMINISTRATION PLAN

7.1 Purpose of the Quebec Administration Plan

The Quebec Administration Plan will provide direct compensation in the form of monetary payments to QCAPs who meet the criteria to qualify as *Blais* Class Members pursuant to the judgments in the Quebec Class Actions. The Quebec Administration Plan is attached to the CCAA Plan as Schedule “K”.

The Court-Appointed Mediator and the Monitors recommend that Epiq be approved by the CCAA Court for appointment as the Claims Administrator to manage the administration of the claims processes for both the Quebec Administration Plan and the PCC Compensation Plan. Attached to the CCAA Plan as Schedule “L” is an overview of Epiq’s complex claims administration experience, an eleven page list of Epiq’s legal administration projects, a description of Epiq’s Tobacco Claims Pre-Settlement Support Program, and the resumes of the key professional management personnel who will be assigned to the administration of the Quebec Administration Plan and the PCC Compensation Plan.

The Court-Appointed Mediator and the Monitors recommend that Daniel Shapiro, K.C. be approved for appointment as the Administrative Coordinator in respect of the administration of both the Quebec Administration Plan and the PCC Compensation Plan. Mr. Shapiro’s curriculum vitae is attached to the CCAA Plan as Schedule “M”.

The following table summarizes the compensation available to Eligible *Blais* Class Members under the Quebec Administration Plan:

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Quebec Class Action Administration Plan		
Column 1 Compensable Disease	Individual Payment (or such lesser amount as may be determined by the Claims Administrator to be available for the subclass of claimants; quantum will vary based upon the actual take-up rate and other factors and shall not exceed the maximum amounts specified in this table)	
	Column 2 Compensation Payment for Eligible <i>Blais</i> Class Members who started to smoke before January 1, 1976	Column 3 Compensation Payment for Eligible <i>Blais</i> Class Members who started to smoke on or after January 1, 1976 (80% of Column 2)
Lung Cancer	\$100,000	\$80,000
Throat Cancer	\$100,000	\$80,000
Emphysema/COPD (GOLD Grade III or IV)	\$30,000	\$24,000

7.2 Quebec Administration Plan is subject to the Approval of the CCAA Court

The CCAA Court shall hear and determine the proceedings relating to the approval of the Quebec Administration Plan, including the approval of the retainer agreement respecting fees and disbursements between the Quebec Class Counsel and the representative plaintiffs in the Quebec Class Actions, and the approval of the Quebec Class Counsel Fee.

Matters relating to the ongoing supervision of the Quebec Administration Plan shall be heard and determined jointly by the CCAA Court and the Quebec Superior Court. In performing this function, the CCAA Court and the Quebec Superior Court may communicate with one another in accordance with a protocol to be worked out and established by them.

No changes, modifications or revisions shall be made to the Quebec Administration Plan without the joint approval of the CCAA Court and the Quebec Superior Court as set out in an Order issued by the CCAA Court.

7.3 Release of Cash Security Deposits

The Cash Security Deposits, which form part of the Upfront Contributions, shall be released from suretyship prior to the Plan Implementation Date and shall be deposited into the Global Settlement Trust Account.

7.4 QCAP Trust Account

The QCAP Settlement Amount, less the QCAP Cy-près Contribution, shall be paid from the Global Settlement Trust Account and deposited into the QCAP Trust Account for the benefit of the *Blais* Class Members.

From time to time, upon the submission of a requisition by the Claims Administrator, the CCAA Plan Administrators shall authorize the advancement of instalments of funds from the QCAP Trust Account to the Claims Administrator's trust account designated for the Quebec Administration Plan, which shall be held in the Bank for the benefit of the *Blais* Class Members, to enable the Claims Administrator to make Compensation Payments to Eligible *Blais* Class Members.

7.5 Payment of QCAP Cy-près Contribution to Cy-près Trust Account

The payment of the QCAP Cy-près Contribution in the amount of \$131 million shall be the consideration for the full and final settlement and satisfaction of the *Létourneau* Judgment constituting the indirect benefit to the *Létourneau* Class Members. The QCAP Cy-près Contribution shall be deposited into the Cy-près Trust Account from the Global Settlement Trust Account for the benefit of the Cy-près Foundation.

ARTICLE 8. ESTABLISHMENT AND ADMINISTRATION OF PAN-CANADIAN CLAIMANTS' COMPENSATION PLAN

8.1 Purpose of the PCC Compensation Plan

The Pan-Canadian Claimants' Compensation Plan ("**PCC Compensation Plan**") will provide direct compensation in the form of monetary payments to PCCs who fulfill all of the following criteria ("**PCC Eligibility Criteria**"):

- (a) On the date that a PCC submits their claim to the PCC Compensation Plan:
 - (i) If the PCC is alive, they must reside in a Province or Territory in Canada, or
 - (ii) If the PCC is deceased, they must have resided in a Province or Territory in Canada on the date of their death;
- (b) The PCC was alive on March 8, 2019;
- (c) Between January 1, 1950 and November 20, 1998, the PCC smoked a minimum of Twelve Pack-Years of cigarettes sold by the Tobacco Companies;
- (d) Between March 8, 2015 and March 8, 2019 ("**PCC Claims Period**"), the PCC was diagnosed with:
 - (i) Primary lung cancer ("**Lung Cancer**"),
 - (ii) Primary cancer (squamous cell carcinoma) of the Larynx, Oropharynx or Hypopharynx ("**Throat Cancer**"), or

- (iii) Chronic obstructive pulmonary disease (GOLD Grade III or IV only) (collectively, the “**PCC Compensable Diseases**”); and
- (e) On the date of the diagnosis with a PCC Compensable Disease the PCC resided in a Province or Territory in Canada.

The following table summarizes the compensation which will be available under the PCC Compensation Plan:

PCC Compensation Plan		
Column 1 PCC Compensable Disease	Individual Payment (or such lesser amount as may be determined by the Claims Administrator to be available for the subclass of claimants; quantum will vary based upon the actual take-up rate and other factors and shall not exceed the maximum amounts specified in this table)	
	Column 2 Compensation for PCCs who started to smoke before January 1, 1976 (60% of damages awarded to Quebec Class Action Plaintiffs)	Column 3 Compensation for PCCs who started smoking on or after January 1, 1976 (80% of Column 2)
Lung Cancer	\$60,000	\$48,000
Throat Cancer	\$60,000	\$48,000
Emphysema/COPD (GOLD Grade III or IV)	\$18,000	\$14,400

The following documents are attached as Schedules to the CCAA Plan:

- (a) The document entitled “Pan-Canadian Claimants’ Compensation Plan: Methodology and Analysis” dated October 17, 2024 is attached to the CCAA Plan as Schedule “N”;
- (b) The Jha Report is attached to the CCAA Plan as Schedule “I”; and
- (c) The Analysis of Limitations Law applicable to Pan-Canadian Claimants dated September 2, 2020 is attached to the CCAA Plan as Schedule “O”.

8.2 PCC Compensation Plan

The CCAA Court shall hear and determine the proceedings relating to the approval of the PCC Compensation Plan. The PCC Compensation Plan is attached to the CCAA Plan as Schedule “P”. The Court-Appointed Mediator and the Monitors recommend that Epiq be approved by the CCAA Court for appointment as the Claims Administrator to manage the administration of the claims processes for both the Quebec Administration Plan and the PCC Compensation Plan.

Matters relating to the ongoing supervision of the PCC Compensation Plan shall be heard and determined solely by the CCAA Court.

8.3 PCC Trust Account

The PCC Compensation Plan Amount shall be paid from the Global Settlement Trust Account and deposited into a segregated interest-bearing trust account or trust accounts (“**PCC Trust Account**”) held in the Bank for the benefit of the Pan-Canadian Claimants.

From time to time, upon the submission of a requisition by the Claims Administrator, the CCAA Plan Administrators shall authorize the advancement of instalments of funds from the PCC Trust Account to the Claims Administrator’s trust account designated for the PCC Compensation Plan, which shall be held in the Bank for the benefit of the Pan-Canadian Claimants, to enable the Claims Administrator to make Individual Payments to Eligible Pan-Canadian Claimants.

ARTICLE 9. ESTABLISHMENT AND ADMINISTRATION OF THE CY-PRÈS FOUNDATION

9.1 Purpose of the Cy-près Foundation

The Cy-près Fund will be administered by a public charitable foundation (“**Cy-près Foundation**”) to be established as part of the implementation of the CCAA Plan. The Cy-près Foundation shall be independent and free from any influence or interference by any of the Claimants, Tobacco Companies, Tobacco Company Groups, or any potential or actual beneficiary of the Cy-près Foundation. Although it is recognized that the governance of the Cy-près Foundation will be independent and free from any influence or interference, the Cy-près Foundation shall remain under the jurisdiction of the CCAA Court.

The Cy-près Fund will provide consideration for the full and final settlement and release of all claims and potential claims of PCCs who are not receiving direct compensation payments from the PCC Compensation Plan, and *Létourneau* Class Members who are not receiving direct compensation payments from the Quebec Administration Plan, but will be indirectly benefited by falling within the scope of the Cy-près Foundation. This broad group of claimants includes the following Persons and any affected family members or estates:

- (a) Smokers suffering from Lung Cancer or Throat Cancer or Emphysema/COPD (Gold Grade III or IV) who are outside the claims period or who smoked less than the requisite Twelve Pack-Years or, in the case of Emphysema/COPD, were not classified as Gold Grade III or IV or the equivalent;

- (b) Smokers who have tobacco-related harms other than Lung Cancer or Throat Cancer and Emphysema/COPD (Gold Grade III or IV) or the equivalent; and
- (c) Persons who smoke or have smoked Tobacco Products who have not yet or may never contract a tobacco-related harm.

The guiding principle is that the Cy-près Foundation must maintain a rational connection between the varying circumstances of the diverse group of PCCs and *Létourneau* Class Members covered by the Cy-près Fund and the Cy-près Foundation's purpose which is to fund research focused on improving outcomes in Tobacco-related Diseases that will provide indirect benefits to such Persons. This guiding principle will apply throughout the duration of the Cy-près Foundation's existence to the work product generated by the research funded by the Cy-près Foundation.

The payment of the QCAP Cy-près Contribution in the amount of \$131 million shall be the consideration for the full and final settlement and satisfaction of the *Létourneau* Judgment.

Upon the recommendation of the Court-Appointed Mediator and the Monitors and subject to the approval of the CCAA Court, Dr. Robert Bell, MDCM, MSc, FRCSC, FACS, FRCSE (Hon), will be appointed by the CCAA Court to serve as the Chair of the Cy-près Foundation. Dr. Bell's resume and curriculum vitae are attached to the CCAA Plan as Schedule "Q" and Schedule "R" respectively.

The document entitled "Cy-près Fund: Methodology and Analysis" is attached to the CCAA Plan as Schedule "S".

9.2 Funding the Cy-près Foundation

The Cy-près Fund shall be paid from the Global Settlement Trust Account and deposited into a segregated interest-bearing trust account or trust accounts ("**Cy-près Trust Account**") held in the Bank for the benefit of the Cy-près Foundation. The Cy-près Fund shall not be transferred to the Cy-près Foundation until such time as all aspects of the establishment of the Cy-près Foundation as set out in Section 9.4 herein have been given final approval by the CCAA Court, and the Cy-près Trust Account has been duly established in the Bank.

9.3 Cy-près Foundation Terms of Reference

The Terms of Reference of the Cy-près Foundation are set out below:

**“The Foundation for Improved Diagnosis and Treatment of Tobacco Related Disease” or
“The Foundation for Improved Outcomes in Tobacco-Related Disease” (FIORD)**

Terms of Reference

Introduction: This document describes the terms of reference for the “Cy-près Foundation” mentioned above. These terms have been developed by the Court-appointed Mediator and Monitors in collaboration with Dr. Robert Bell.

Foundation Name: The name of the Foundation must relate clearly to the purpose of the Cy-près. The name **“The Foundation for Improved Diagnosis and Treatment of Tobacco-Related Disease”** will serve as the corporate name. The name **“The Foundation for Improved Outcomes in Tobacco-Related Disease”** is also appropriate, along with the acronym “FIORD”. This second name will be used on the Foundation’s website and other presentation materials.

Purpose of the Foundation: The Foundation’s purpose is to fund research focused on improving outcomes in tobacco-related diseases. This Foundation will indirectly benefit users of tobacco products who are not directly compensated through the QCAP or PCC plans. The smokers who are directly compensated (through the QCAP and PCC plans) include individuals suffering from lung or throat cancers or Emphysema/COPD GOLD Grade III or IV as defined in the plans.

The Foundation will not make any monetary payments to individuals making claims for tobacco-related harms. Those individuals who are to receive monetary compensation will do so through either the QCAP or PCC Compensation Plans in accordance with the provisions of those Plans.

These tobacco users who are not directly compensated but will be indirectly benefited by falling within the scope of the Foundation includes the following persons and any affected family members or estates:

- i) Smokers suffering from lung or throat cancer or Emphysema/COPD Gold Grade III or IV who are outside the claims period or who smoked less than the requisite twelve pack years or, in the case of Emphysema/COPD, were not classified as Gold Grade III or IV or the equivalent.
- ii) Smokers who have tobacco-related harms other than lung or throat cancer and Emphysema/COPD Gold Grade III or IV or the equivalent.
- iii) Persons who smoke or have smoked tobacco products who have not yet or may never contract a tobacco-related harm.

Vision for the Foundation: Canadians will achieve better outcomes because tobacco-related cancers will be treated at an early stage when the chance for cure is improved. Canadians with Emphysema/COPD and other tobacco-related harms will have access to better diagnosis and treatment.

Mission of the Foundation: The Foundation will indirectly benefit current or past smokers and their families by funding investigator-initiated research into methods for earlier diagnosis and better treatment of tobacco-related cancers. The Foundation will also indirectly benefit current or

past smokers by supporting investigator-initiated research targeted at achieving better outcomes for Canadians suffering from Emphysema/COPD, other tobacco-related harms or other illnesses and conditions which are thought to be reasonably, rationally and proportionally connected to tobacco-related harms.

Values of the Foundation: Relentless focus on task; devoted to principles of best evidence and expert peer review; emphasis on collaboration to increase the impact of research funding while limiting Foundation overhead costs to maximize the indirect benefit to individuals who fall within the scope of the Foundation; insistence that Foundation funded research reflects the principles of health equity and opportunity for inclusion of First Nations, Metis and Inuit people.

Early works:

- Establish “**The Foundation for Improved Diagnosis and Treatment of Tobacco Related Disease**” as a tax-exempt Canadian Not-for-Profit corporation.
- Recruit a neutral and independent board that will provide oversight of the Foundation strategy for funding investigator-initiated research. The board will also develop and oversee the financial and investment strategy for the Foundation.
- Undertake a virtual “listening tour” across Canada (led by the Chair of the Foundation) to engage with experts in the screening, diagnosis and treatment of tobacco associated cancers, Emphysema/COPD and other tobacco-related harms. Present a summary of the “listening tour” to the board.
- Develop a board-approved strategy for the investigator-initiated research program.

Likely Areas of Foundation Support of Investigator Driven Research:

- Improving methods for screening and early diagnosis of tobacco associated cancers. This will include research into effective imaging of early-stage cancers, minimally invasive diagnostic procedures and possibly research into “liquid biopsies” to detect cancer molecular markers in body fluids.
- Establishing best practices for diagnosis and treatment of Emphysema/COPD and other tobacco-related harms and increasing the likelihood that Canadians can achieve access to best practice care of these diseases.

Benefit to all Canadians:

- In addition to benefiting Canadians who have smoked, investigator-initiated research funded by the Foundation has the potential to determine whether screening of higher risk populations and potentially all Canadians can identify cancers at earlier stages of oncogenesis when treatment is less morbid and potential cure is more likely.
- Better diagnosis and treatment of tobacco-related harms will likely also improve disease outcomes for Canadians who have never smoked.

- Leveraging learnings from investigator-initiated research in cancer, Emphysema/COPD and related diseases as well as areas yet to be identified will provide a collateral benefit to those persons beyond the scope of the Foundation. In fulfilling the Foundation's mandate, it is anticipated that the broader Canadian population as well as the global community will benefit from the knowledge generated by this work.

9.4 CCAA Court Approval of Establishment of Cy-près Foundation

The establishment of the Cy-près Foundation will be subject to the final approval of the CCAA Court after the Cy-près Foundation has been created and the essential requirements have been fulfilled including: preparing the governing documents which will establish the legal entity that will constitute the Cy-près Foundation in accordance with CRA rules for registered charities; establishing the legal entity of the Cy-près Foundation; appointing the requisite persons who will be responsible for the management and operation of the Cy-près Foundation which, for the sake of ease of reference, shall be referred to herein as the directors of the Cy-près Foundation; applying for and acquiring from the CRA status for the Cy-près Foundation as a registered charity; setting up the requisite books and records; and establishing the Cy-près Trust Account in the Bank. Once the Sanction Order has been granted, the Cy-près Foundation shall be compliant with all legal, technical and other requirements for the establishment of the Cy-près Fund and the registration and operation of the Cy-près Foundation as a charitable foundation.

It is understood that, after the CCAA Court has rendered the Sanction Order approving the CCAA Plan, the Chair of the Cy-près Foundation may, on an interim basis and consistent with the Terms of Reference of the Cy-près Foundation, proceed to engage in the work of establishing the Cy-près Foundation, including attending to the completion of the essential requirements set out in the paragraph above. While undertaking this preliminary interim work, the Chair of the Cy-près Foundation shall keep the CCAA Plan Administrators apprised of the steps taken and any developments relating to the establishment of the Cy-près Foundation.

The PCC Representative Counsel, in consultation with the CCAA Plan Administrators, may appoint up to three directors at large (and fill any requisite vacancies thereof) to serve on the board of directors of the Cy-près Foundation.

The CCAA Plan Administrators will seek an Interim Maintenance Order pertaining to the operation and financial support of the putative Cy-près Foundation pending final approval by the CCAA Court.

The Chair of the Cy-près Foundation will be required to seek final approval by the CCAA Court of the Cy-près Foundation once the requisite steps to establish the Cy-près Foundation have been completed. The Chair of the Cy-près Foundation and the CCAA Plan Administrators shall supply reports to the CCAA Court affirming the foregoing.

9.5 Reporting by Cy-près Foundation to CCAA Plan Administrators and CCAA Court

Not less frequently than annually, the Chair of the Cy-près Foundation shall prepare a written report for submission to the CCAA Plan Administrators and thereafter for filing with the CCAA Court that includes reports on the financial status of the Cy-près Foundation (including capital,

interest earned, distributions made, etc.) and the activities of the Cy-près Foundation for the period covered by the report. A copy of this report shall be provided to PCC Representative Counsel.

9.6 Term of Operation of Cy-près Foundation

The Cy-près Foundation shall not be dissolved, nor shall its work be terminated until such time as specified by the CCAA Court in the Sanction Order or such further Order of the CCAA Court.

ARTICLE 10. INFORMATION TO BE PROVIDED DURING THE CONTRIBUTION PERIOD

10.1 Annual Business Plans

Notwithstanding any terms or conditions of any Definitive Documents, Imperial and any members of its Tobacco Company Group, as applicable, shall comply with all their obligations pursuant to Article 10 herein. On an annual basis during the Contribution Period, Imperial shall provide to the CCAA Plan Administrator a rolling five-year operating and capital business plan approved by Imperial's Canada Leadership Team (the "**Business Plan**") that shall be consistent with the Definitive Documents and, without limitation, shall include the following:

- (a) The same schedules and level of detail as Imperial has provided to the Claimants during the pendency of the CCAA Proceedings including, for greater certainty, five-year projections for Imperial's income statement, balance sheet, cash flow statement, gross margin schedule, total margin schedule, Intercompany Transaction details, taxes and government levies schedule, operating costs schedule, statement of financial position, and summary of assumptions and trends, and, until such time as Imperial shall have transferred all of its assets, Indebtedness, liabilities and business relating to its current and future Alternative Products to an unrelated company, a Canadian Affiliate of its Parent, or a Canadian Subsidiary of any other company within its Tobacco Company Group pursuant to Article 4, Section 4.1 herein, the particulars of the determination of the net income attributable to the Alternative Products;
- (b) Imperial's plans to make capital expenditures ("**CapEx**") that:
 - (i) Are reasonably necessary for the preservation of its assets, undertakings and properties or its business (including payments on account of insurance, maintenance and security services),
 - (ii) Are reasonably necessary to replace or supplement its assets, undertakings or properties, or
 - (iii) Are otherwise of benefit to the business; and
- (c) The framework, elements and pricing of the intercompany charges for the Intercompany Services which the Parent and relevant Affiliates of Imperial shall continue to provide to Imperial through Intercompany Transactions, subject to the provisions of the CCAA Plan and in accordance with the Definitive Documents.

The CCAA Plan Administrator shall review the Business Plan for Imperial on an annual basis, and may suggest non-binding revisions or amendments to Imperial. The CCAA Plan Administrator may advise the Provinces, Territories and any Impacted Claimants of such suggestions. The suggestions of the CCAA Plan Administrator shall be considered in good faith by Imperial.

10.2 Quarterly and Annual Information

10.2.1 Annual Financial Information

On or before the 90th day following the end of each fiscal year during the Contribution Period, Imperial shall provide the CCAA Plan Administrator with the following financial information:

- (a) An audited financial statement (“**Annual Financial Statement**”);
- (b) A schedule providing the particulars by Affiliate of all receipts and disbursements in respect of all of Imperial’s Intercompany Transactions;
- (c) A report that identifies and discusses the differences between Imperial’s financial performance forecast in its Business Plan and its actual financial performance in each fiscal year during the Contribution Period; and
- (d) All other relevant assumptions, details and schedules that support the Annual Financial Statement.

10.2.2 Information to be provided by Imperial in Annual MD&A

The Business Plan which Imperial shall provide annually during the Contribution Period to the CCAA Plan Administrator shall be accompanied by a management discussion and analysis (“**MD&A**”) which includes disclosure of information regarding the following matters that is of a similar level of disclosure as in the CCAA Proceedings to enable the CCAA Plan Administrator and the Claimants to understand and assess the impact on and associated risk to Imperial’s performance of its obligations under the Definitive Documents:

- (a) **Transfer Pricing Arrangements** - Any plan to change any of Imperial’s existing intercompany transfer pricing arrangements;
- (b) **Intercompany Transaction Changes** - Any plan to enter into a new Intercompany Transaction or amend the terms of an existing Intercompany Transaction which may only be undertaken in compliance with the requirements set out in Article 5, Section 5.14 herein;
- (c) **Intercompany Transaction Terminations** - Any plan to not renew, not extend or otherwise terminate an Intercompany Transaction;
- (d) **Change in Location** - Any plan to move Imperial’s head office or other premises and/or terminate any lease of the premises housing such offices;
- (e) **Disposition of Assets** - Any plan to dispose of and/or transfer material assets exceeding \$5 million in any one transaction or \$10 million in the aggregate, including manufacturing

equipment, trademarks, intellectual property and any other intangible assets, that are material to Imperial's conduct of its Ordinary Course of Business;

- (f) **Termination of Employees** - Any plan to terminate an operationally significant number of employees of Imperial;
- (g) **Change in Executive Management Team** - Any planned or anticipated changes to Imperial's executive management team in regard to both complement and personnel;
- (h) **CapEx** - Imperial's CapEx budget, including any plans to make material capital expenditures and dispose of and/or transfer assets;
- (i) **Cash Security Arrangements** - Any planned new cash security arrangements or other treasury arrangements, or planned amendments to cash security arrangements or treasury arrangements including: the use of concentration accounts, cash sweeps, increased or new escrow, and deposit or pledged asset requirements;
- (j) **Cash Commitments** - Any planned new or amended cash commitments or deposits required that are in excess of \$10 million in the aggregate, whether occurring in any one situation, or series of related situations, or series of related transactions;
- (k) **Financing Arrangements** - Any planned new or amended financing arrangements into which Imperial proposes to enter, that are in excess of \$10 million in the aggregate, whether occurring in any one situation, or series of related situations, or series of related transactions, including full particulars regarding the anticipated security and financing costs;
- (l) **Material Change in Business Operations** - Any plans to permanently or temporarily cease, downsize or shutdown any businesses or operations carried on by Imperial, or make any other material changes in Imperial's business or operations (other than in respect of Alternative Products);
- (m) **Taxes** – All notices of assessment or reassessment in respect of any taxation year ending during the Contribution Period. Any rulings and any other written communications issued by a Tax Authority relating to the deductibility of the Upfront Contributions, Annual Contributions or Tax Refund Cash Payments for income tax purposes, the receipt of Tax Refund Cash Payments, or the availability, deductibility, carryforward or carryback of a Tax Attribute (any of which, a "**Tax Matter**");
- (n) **Claims and Litigation** – All notices received by Imperial regarding claims or potential claims that may be brought against it, and copies of all originating processes commenced against Imperial;
- (o) **Settlements** – All amounts paid to settle claims made and actions commenced against Imperial and whether such payments were made in whole or in part by Imperial's insurer(s); and

- (p) **Penalties and Fines** – All penalties and fines, and any interest charged thereon, levied against Imperial by a Governmental Authority.

10.2.3 Information to be provided by Imperial in Quarterly MD&A

Quarterly during the Contribution Period, Imperial shall provide to the CCAA Plan Administrator:

- (a) Financial statements which include the same schedules and level of detail as Imperial has provided to the Claimants during the pendency of the CCAA Proceedings including, for greater certainty, income statement, balance sheet, statement of profit and loss, cash flow statement, statement of Tobacco Product shipment volumes by brand, gross margin schedule, total margin schedule, Intercompany Transaction details, taxes and government levies schedule, operating costs schedule, statement of financial position, and summary of assumptions and trends, and the particulars of the determination of the net income attributable to the Alternative Products; and
- (b) An accompanying MD&A which includes disclosure of any new information or updates relating to the matters enumerated in Article 10, Section 10.2.2(a) through Article 10, Section 10.2.2(p) herein that is sufficiently detailed to enable the CCAA Plan Administrator and the Claimants to understand and assess the impact on and associated risk to Imperial's performance of its obligations under the Definitive Documents.

10.3 Other Information to be provided by Imperial

During the Contribution Period, within ten days of receipt of any communication from a Tax Authority relating to a Tax Matter, Imperial shall provide copies of same to the CCAA Plan Administrators. During the Contribution Period, Imperial shall also provide sufficiently detailed information and supporting data to the CCAA Plan Administrator in response to *ad hoc* requests which may be made from time to time in connection with the information produced by Imperial pursuant to Article 10, Sections 10.1, 10.2.1, 10.2.2, 10.2.3 and 10.7 herein.

10.4 Access to Imperial's Management

During the Contribution Period, Imperial shall provide the CCAA Plan Administrators with reasonable access to its key management personnel to answer any reasonable questions they may have arising from or in connection with the financial records and information produced to the CCAA Plan Administrators pursuant to Article 10, Sections 10.1, 10.2.1, 10.2.2, 10.2.3, 10.3 and 10.7 herein. The key management personnel of Imperial shall attend quarterly meetings and any meetings scheduled *ad hoc* with the CCAA Plan Administrators.

10.5 Procedure for Provinces and Territories to request Information from Imperial

If, in connection with the interpretation, implementation, application, compliance with, enforcement of, or alleged breach or violation of any terms of any of the Definitive Documents, a Province or Territory wishes to make a request for financial records or other data and information ("**Information Request**") to Imperial, the following procedure shall be followed:

- (a) An Information Request from any public servant of, or financial, legal or other advisor to, a Province or Territory shall be delivered to the PTLC Member for the requesting Province or Territory. The Information Request shall be in writing and sufficiently particularized;
- (b) The PTLC Member for the requesting Province or Territory shall submit the written Information Request to the PTLC Chair;
- (c) The PTLC Chair shall review each Information Request received and, if necessary, confer with the requesting PTLC Member to clarify the particulars of the information sought, remove any duplication with other Information Requests received from other PTLC Members, and then prepare a final written Information Request (“**Final Information Request**”). Notwithstanding the foregoing responsibility, the PTLC Chair may, in their discretion, decline to send to the CCAA Plan Administrator an Information Request which, in the reasonable view of the PTLC Chair, is unreasonable, unnecessary, overly broad or imprecise. If the PTLC Chair declines to send an Information Request to the CCAA Plan Administrator, the PTLC Chair shall advise the requesting PTLC Member in writing of the reason for such decision;
- (d) If the Information Request has not been declined, the PTLC Chair shall submit the Final Information Request to the CCAA Plan Administrator, and provide all PTLC Members and any Impacted Claimants with a copy of the Final Information Request;
- (e) The CCAA Plan Administrator shall review and then may submit the Final Information Request to Imperial. Notwithstanding the foregoing responsibility, the CCAA Plan Administrator may, in its discretion, suggest revisions, add comments or decline to send to Imperial a Final Information Request which, in the reasonable view of the CCAA Plan Administrator, is unreasonable, unnecessary, overly broad or imprecise. If the CCAA Plan Administrator declines to send a Final Information Request to Imperial, the CCAA Plan Administrator shall advise the PTLC Chair in writing of the reason for such decision. In that event:
 - (i) The PTLC Chair may reconsider whether to revise or withdraw the Final Information Request; or
 - (ii) The PTLC Chair may require the CCAA Plan Administrator to provide Imperial with a copy of the Final Information Request, in which case the written reasons for the CCAA Plan Administrator’s view that the Final Information Request is improper or irrelevant shall also be submitted to Imperial.

All Final Information Requests that are submitted to Imperial and any written comments or written reasons of the CCAA Plan Administrator shall be admissible in evidence in any arbitration or proceeding in the CCAA Court;

- (f) Imperial shall provide to the CCAA Plan Administrator data, information and any documents responsive to the Final Information Request which the CCAA Plan Administrators shall use to prepare a written response to the Final Information Request. The CCAA Plan Administrator shall deposit the written response and any documents

received from Imperial in the Virtual Data Room for Imperial, and then notify the PTLC Chair and any Impacted Claimants of such deposit;

- (g) The PTLC Chair shall notify the PTLC Members that the written response and any documents responsive to the Final Information Request have been deposited into Imperial's Virtual Data Room; and
- (h) The PTLC Chair, any Impacted Claimants or the CCAA Plan Administrator may request an *ad hoc* Interface Meeting to discuss Imperial's response to the Final Information Request.

Under no circumstances shall a PTLC Member, other public servant of, or a financial, legal or other advisor to, any Province or Territory contact Imperial or a member of Imperial's Tobacco Company Group directly to make an Information Request and thereby bypass the PTLC Chair or the CCAA Plan Administrator.

10.6 Procedure for Impacted Claimants to request Information from Imperial

If an Impacted Claimant wishes to make an Information Request to Imperial, the following procedure shall be followed:

- (a) An Information Request from an Impacted Claimant, or its financial, legal or other advisor, shall be in writing, sufficiently particularized and not duplicate any Final Information Requests from the Provinces and Territories which have been provided to the Impacted Claimant by the PTLC Chair;
- (b) The Impacted Claimant shall submit its Information Request to the CCAA Plan Administrator with a copy to the PTLC Chair;
- (c) The PTLC Chair shall provide a copy of the Impacted Claimant's Information Request to all PTLC Members;
- (d) The CCAA Plan Administrator shall review and then may submit the Impacted Claimant's Information Request to Imperial. Notwithstanding the foregoing responsibility, the CCAA Plan Administrator may, in its discretion, suggest revisions, add comments or decline to send to Imperial an Information Request which, in the reasonable view of the CCAA Plan Administrator, is unreasonable, unnecessary, overly broad or imprecise. If the CCAA Plan Administrator declines to send an Information Request to Imperial, the CCAA Plan Administrator shall advise the Impacted Claimant of the reason for such decision. In that event:
 - (i) The Impacted Claimant may reconsider whether to revise or withdraw its Information Request; or
 - (ii) The Impacted Claimant may require the CCAA Plan Administrator to provide Imperial with a copy of its Information Request, in which case the written reasons for the CCAA Plan Administrator's view that the Information Request is

unreasonable, unnecessary, overly broad or imprecise shall also be submitted to Imperial.

All Information Requests of an Impacted Claimant that are submitted to Imperial and any written comments or written reasons of the CCAA Plan Administrator shall be admissible in evidence in any arbitration or proceeding in the CCAA Court;

- (e) Imperial shall provide to the CCAA Plan Administrator data, information and any documents responsive to the Impacted Claimant's Information Request which the CCAA Plan Administrator shall use to prepare a written response to the Information Request. The CCAA Plan Administrator shall deposit the written response and any documents received from Imperial in the Virtual Data Room for Imperial, and then notify the Impacted Claimant and the PTLC Chair of such deposit;
- (f) The PTLC Chair shall notify the PTLC Members that the written response and any documents responsive to the Impacted Claimant's Information Request have been deposited into Imperial's Virtual Data Room; and
- (g) The Impacted Claimant, PTLC Chair or CCAA Plan Administrator may request an *ad hoc* Interface Meeting to discuss Imperial's response to the Impacted Claimant's Information Request.

Under no circumstances shall an Impacted Claimant, or any of its financial, legal or other advisors, contact Imperial or any member of Imperial's Tobacco Company Group directly to make an Information Request and thereby bypass the CCAA Plan Administrator.

10.7 Confidentiality of Information

In addition to their obligations pursuant to the NDAs and any confidentiality order, the PTLC Members and the Impacted Claimants shall maintain the strict confidentiality of all communications made, all information shared and all agendas, reports, records and other documents exchanged during the Interface Meetings and the Deliberation Meetings and in response to Information Requests, which shall not be disclosed in or used for any proceeding or any other purposes, other than as provided for in Article 10, Sections 10.5(e) and 10.6(d).

10.8 Information and Certification to be provided by Imperial regarding Annual Contributions and Reserved Amounts

During the Contribution Period, Imperial shall provide to the CCAA Plan Administrator sufficiently detailed information and supporting data regarding the quantum of the Annual Contributions and Reserved Amounts to be made by Imperial in respect of each calendar year, including a certification provided by Imperial's chief financial officer that the quantum of the Annual Contributions and Reserved Amounts to be made by Imperial in respect of each calendar year has been calculated accurately in accordance with the Metric and all other applicable terms of the Definitive Documents. Such certification shall be delivered to the CCAA Plan Administrator at the same time as the aforesaid information and supporting data and shall not give rise to any personal liability on the part of the certifying officer.

10.9 Timing of Imperial's Delivery of Business Plan, Financial Statements and MD&A to CCAA Plan Administrators

By no later than the applicable dates specified in the Table below, Imperial shall deliver to the CCAA Plan Administrator the Business Plans and financial records and information that it is required to produce pursuant to Article 10, Sections 10.1, 10.2.1, 10.2.2, 10.2.3, 10.3 and 10.8 herein:

Financial Documents	Dates by which Imperial shall deliver Financial Documents to CCAA Plan Administrator
Q1 Financial Statements	May 15
Q2 Financial Statements	August 15
Q3 Financial Statements	November 15
Q4 Financial Statements	March 15
Annual Financial Statements	March 31
5 year Business Plan provided annually	May 15
Calculation of Metric	June 30

10.10 Virtual Data Rooms and NDAs

As provided in Article 11, Section 11.1(b) herein, during the Contribution Period, Imperial shall provide to its CCAA Plan Administrator for deposit into its virtual data room ("**Virtual Data Room**") all of the financial records and information required to be produced to the CCAA Plan Administrator pursuant to Article 10, Sections 10.1, 10.2.1, 10.2.2, 10.2.3, 10.3 and 10.7 herein. Imperial's Virtual Data Room shall only be accessed by Provinces, Territories and Impacted Claimants and their advisors who have executed an NDA with Imperial.

Provided that they have executed an NDA, any Claimant to whom any portion of its share of the Global Settlement Amount remains unpaid shall be entitled to access all of the financial records and information that Imperial shall deposit in its Virtual Data Room pursuant to Article 10, Sections 10.1, 10.2.1, 10.2.2, 10.2.3, 10.3 and 10.7 and Article 11, Section 11.1(d) herein.

ARTICLE 11. COVENANTS AND OTHER PAYMENT ASSURANCE

11.1 Covenants

During the Contribution Period, Imperial and, as applicable, members of its Tobacco Company Group shall be subject to the following covenants, subject to Imperial's right to engage in its Ordinary Course Operational Activities:

- (a) Imperial shall use commercially reasonable efforts to operate and carry on business in a manner consistent with its Business Plan, subject to any changes to such operations or business that are not inconsistent with the Definitive Documents, and as may be necessary or required in the Ordinary Course of Business of Imperial, or in response to prevailing material market changes affecting Imperial, that are not contemplated by its Business Plan;
- (b) In accordance with Article 10, Section 10.10 herein, Imperial shall continue on a regular and timely basis to provide to its CCAA Plan Administrator for deposit into its Virtual Data Room all financial records and information required to be produced to the CCAA Plan Administrators pursuant to Article 10, Sections 10.1, 10.2.1, 10.2.2, 10.2.3, 10.3 and 10.7 herein, and to which the CCAA Plan Administrators, Provinces, Territories and any Impacted Claimants shall be permitted continued access during the Contribution Period provided that they have executed an NDA. The CCAA Plan Administrators may request and, upon receipt of such request, Imperial shall produce to the CCAA Plan Administrators and, through the Virtual Data Rooms, to the Provinces, Territories and any Impacted Claimants all financial records and information necessary to, among other things:
 - (i) Assess the financial performance of Imperial;
 - (ii) Determine whether the Annual Contributions and Reserved Amounts have been calculated and paid in compliance with the Definitive Documents;
 - (iii) Assess the rates, prices and any adjustments to such rates and prices as may be made in respect of any Intercompany Transaction by Imperial's Parent and the relevant Affiliates within its Tobacco Company Group in compliance with the requirements set out in Article 5, Section 5.14 herein; and
 - (iv) Assess whether Imperial is operating in accordance with the Definitive Documents.

Any Province, Territory or Impacted Claimant may request additional financial records and information from Imperial by submitting a request for same to the CCAA Plan Administrators, and the CCAA Plan Administrators shall make that request to Imperial. Notwithstanding the foregoing responsibility, the CCAA Plan Administrators may, in their discretion, decline to send to Imperial an information request which, in the reasonable view of the CCAA Plan Administrators, is improper or irrelevant;

- (c) Imperial shall fulfill its obligations to provide to the CCAA Plan Administrator regular quarterly, annual and, if requested by the CCAA Plan Administrator, *ad hoc* reporting of all information enumerated in Article 10, Sections 10.1, 10.2.1, 10.2.2, 10.2.3, 10.3 and 10.7 herein at the specified times including information regarding:

- (i) Any non-compliance with any of the Definitive Documents or non-compliance with its Business Plan, including any issue, event or condition which caused or would reasonably be expected to cause a Material Adverse Effect on Imperial or that constitutes a Breach or an Event of Default;
- (ii) Confirmation of the amounts of the Annual Contributions to be made by it; and
- (iii) Confirmation of the Reserved Amounts received or realized by it;
- (d) Imperial shall apply any available Tax Attribute to its earliest taxation year permitted by Applicable Law to reduce taxable income in such taxation year, provided for greater certainty, that there shall be no requirement to reduce taxable income to an amount that is less than \$100 in a taxation year;
- (e) Imperial shall diligently pursue any Tax Matter raised by a Tax Authority to establish a positive outcome for Imperial, keep the CCAA Plan Administrators reasonably informed of the progress of any Tax Matter with the relevant Tax Authority, and provide the CCAA Plan Administrators with reasonable opportunity to review and comment upon any submissions, objections or appeals lodged by Imperial in respect of any Tax Matter;
- (f) The chief financial officer of Imperial shall certify that the information provided to the CCAA Plan Administrator by Imperial pursuant to Article 10, Sections 10.1, 10.2.1, 10.2.2, 10.2.3, 10.3 and 10.7 herein is true and correct to the best of their knowledge, information and belief, and consistent with the information and data provided by Imperial to its Tobacco Company Group. Any such certification shall not give rise to any personal liability on the part of the applicable certifying officer;
- (g) Imperial and its Material Subsidiaries shall conduct their businesses in good faith with a view to fulfilling their obligations pursuant to the Definitive Documents, and shall not conduct their businesses and operations, divest assets, rearrange ownership, and/or alter their corporate structures, and/or operational practices, in any manner that circumvents or is adverse to the ability of Imperial to satisfy its obligations under the CCAA Plan including, the ability of Imperial to pay the Upfront Contributions, Tax Refund Cash Payments and/or Annual Contributions within the Contribution Period;
- (h) Except: (i) for the transfer of all of Imperial's Alternative Products Business to Newco pursuant to Article 4, Section 4.1 herein, (ii) for an Ordinary Course Divestiture made in accordance with Article 11, Section 11.4 herein, or (iii) with the consent of the Provinces and Territories and any Impacted Claimants, which consent shall not be unreasonably withheld (collectively, "**Permitted Transfers**"), in the event that Imperial or its Material Subsidiary seeks to transfer any or all of its assets and business to any other entity including an unrelated company, a Canadian Affiliate of its Parent, or a Canadian Subsidiary of any other company within its Tobacco Company Group ("**Canada Newco**"), pursuant to its CCAA Plan or otherwise (except, for greater certainty, its assets, Indebtedness, liabilities and business relating to its Alternative Products), then upon the effective date of any such transfer, the balance then remaining owing by Imperial in respect of its share of the Annual Contributions and Reserved Amounts shall accelerate and become due and payable in full

upon such effective date without any further action being required to be taken by the Claimants. In the event that an Impacted Claimant seeks to invoke the acceleration clause and any other Impacted Claimant or any Tobacco Company, including the defaulting Tobacco Company, take exception to such action, then the Impacted Claimant seeking to invoke the acceleration clause or the Tobacco Company may bring the issue before the CCAA Court for determination;

- (i) Neither Imperial nor any of its Material Subsidiaries shall create, incur, assume or suffer to exist or otherwise become liable for any Indebtedness, otherwise than in the Ordinary Course of Business;
- (j) Neither Imperial nor any of its Material Subsidiaries shall create, incur, assume, suffer to exist or otherwise become bound by or subject to any Encumbrance upon any of its properties and assets other than a Permitted Encumbrance;
- (k) Imperial shall not, and shall not permit any of its Material Subsidiaries to, merge into or amalgamate or consolidate or reorganize with any other Person, or permit any other Person to merge into or amalgamate or consolidate with it, or wind up, liquidate or dissolve;
- (l) Imperial shall not, and shall not permit any of its Material Subsidiaries to, change its name, type of organization, jurisdiction of organization or incorporation, chief executive office or registered office;
- (m) Imperial shall not, and shall not permit any of its Material Subsidiaries to, Dispose of (including pursuant to a dissolution) any of their respective property or assets, except for Permitted Transfers and Dispositions consisting of:
 - (i) Inventory sold in the Ordinary Course of Business upon customary credit terms;
 - (ii) Sales of worn-out, scrap or obsolete material or equipment which are not material in the aggregate; and
 - (iii) Licenses granted to third parties in the Ordinary Course of Business; and
- (n) Imperial shall not, and shall not permit any of its Material Subsidiaries to, assign any of its income to any other Person, and Imperial's Parent and any member of its Tobacco Company Group shall not cause Imperial to assign any of its income to any other Person.

11.2 Ordinary Course Operational Activities

Decisions made by Imperial's directors, officers and management, as applicable, pertaining to operational matters, including the matters enumerated in subparagraphs (a) through (n) herein ("**Ordinary Course Operational Activities**"), shall be considered to be within the reasonable exercise of Imperial's directors' and officers' business judgment, provided that such decisions are made in the Ordinary Course of Business, are consistent with Imperial's covenants and the terms of the CCAA Plan, and are in compliance with all Applicable Laws:

- (a) Product mix, pricing, volume and distribution of Tobacco Products;

- (b) Brands of Tobacco Products, provided that Imperial does not directly or indirectly:
 - (i) Transfer a Tobacco Product brand with a profitable gross margin out of Canada to another company within its Tobacco Company Group, or
 - (ii) Exit a Tobacco Product brand with a profitable gross margin such that Imperial is arbitrarily affected in a negative manner, as compared to other members of its Tobacco Company Group;
- (c) Customer rebates and trade allowances in regard to the sale of Tobacco Products;
- (d) Tobacco Products sales and promotional activities;
- (e) Sustaining capital expenditures to maintain Imperial's cash flows, operating capacity and earning capacity and maintain and preserve its assets in good working order. For greater certainty, activities undertaken and decisions made pertaining to investment CapEx are not Ordinary Course Operational Activities and are subject to the terms of Article 11, Section 11.3 herein;
- (f) Payment of expenses reasonably necessary for the preservation of Imperial's assets and business including payments on account of insurance (including directors and officers insurance), maintenance and security services;
- (g) Administration of Imperial's payroll including the payment of wages, salaries, commissions, compensation, vacation pay, bonuses, incentive and share compensation plan payments, reimbursement expenses (including amounts charged to corporate credit cards) and severance pay;
- (h) Administration of Imperial's benefit programs including expenses related to the employee and retiree medical insurance, dental insurance, disability insurance, life insurance and similar benefit plans or arrangements, and employee assistance programs;
- (i) Administration of Imperial's pension and retirement programs;
- (j) Remittance of statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province or Territory or any other taxation authority which Imperial is required to deduct from employees' wages, including amounts in respect of employment insurance, Canada Pension Plan, Quebec Pension Plan and income taxes;
- (k) Remittance of all Sales and Excise Taxes required to be remitted by Imperial in connection with its business;
- (l) Remittance of any amount payable to the Crown in right of Canada or of any Province or Territory or any political subdivision thereof or any other taxation authority in respect of municipal business or other taxes, assessments or levies of any nature or kind which are attributable to or in respect of the carrying on of Imperial's business;

- (m) Posting of bonding collateral to satisfy regulatory or administrative requirements imposed on Imperial to provide security in relation to the collection and remittance of federal excise taxes and customs and import duties and federal, provincial and territorial tobacco taxes; and
- (n) Cash management, cash investment and treasury transactions including, payment of accounts payable, collection of accounts receivable, management of cash and liquidity, purchase of short term investment vehicles, issuing of letters of credit, funding of payroll, and management of foreign exchange positions.

11.3 CapEx Thresholds

During the Contribution Period, Imperial may make capital expenditures, in addition to those reasonably necessary for the preservation of its assets, undertakings and properties or its business (including payments on account of insurance, maintenance and security services), to replace or supplement its assets, undertakings or properties, or that are otherwise of benefit to the business, provided that any single such expenditure is less than \$1 million, or the aggregate of such expenditures in a calendar year is less than \$10 million (**“CapEx Thresholds”**). The CapEx Thresholds shall be adjusted for inflation as appropriate. In the event that Imperial wishes to exceed the CapEx Thresholds for a valid business reason, it shall make a request in writing to the CCAA Plan Administrator in that regard and the CCAA Plan Administrator shall determine whether any increase is permitted.

11.4 Ordinary Course Divestitures Thresholds

During the Contribution Period, Imperial may permanently or temporarily cease, downsize or shut down any of its business or operations that is redundant and non-material, or dispose of redundant or non-material assets (collectively, **“Ordinary Course Divestitures”**) not exceeding \$5 million in any one transaction or \$10 million in any calendar year in the aggregate (**“Ordinary Course Divestitures Thresholds”**). The Ordinary Course Divestitures Thresholds may be adjusted for inflation as appropriate. In the event that Imperial wishes to exceed the Ordinary Course Divestitures Thresholds for a valid business reason, it shall make a request in writing to the CCAA Plan Administrator in that regard and the CCAA Plan Administrator shall determine whether any increase is permitted.

ARTICLE 12. EVENTS OF DEFAULT, BREACHES AND REMEDIES

12.1 Aggrieved Parties in Dispute Resolution

For the purpose of the dispute resolution processes set forth in Articles 12 and 13 of the CCAA Plan, the following Persons only may be **“Aggrieved Parties”**:

- (a) the Provinces and Territories collectively, the collective interests of which will be advanced in the dispute resolution processes in a coordinated manner through the PTLC. Notwithstanding the foregoing, each Province and Territory retains its right to pursue a claim individually should it decide to do so; however, such right shall not extend to any assignee of an Affected Claim of a Province or Territory;

- (b) the Pan-Canadian Claimants whose collective interests will be represented in the dispute resolution processes by the PCC Representative Counsel;
- (c) the QCAPs whose collective interests will be represented in the dispute resolution processes by the Quebec Class Counsel;
- (d) any other Impacted Claimant who has not yet been paid their full share of the Global Settlement Amount; and/or
- (e) the Cy-près Foundation solely for the purpose of enforcing any non-payment of any portion of the Cy-près Fund.

Upon the occurrence of an event that may constitute an Event of Default or a Breach, any Aggrieved Party may exercise their rights and pursue any remedies available pursuant to the terms of the CCAA Plan, any other Definitive Documents and Applicable Law. For greater certainty, no Aggrieved Party shall have any rights to enforce the Contribution Security in the event of the occurrence and continuance of a Breach. In so doing, such Aggrieved Party shall consult with and communicate relevant information to all other Impacted Claimants regarding the steps to be taken, remedies sought, outcome and other significant matters relating to the resolution or determination of the Event of Default or Breach.

12.2 Events of Default

The occurrence during the Contribution Period of any of the following events (“**Events of Default**”) shall constitute an Event of Default subject, where applicable, to the Monetary Cure Period, Non-Monetary Cure Period or Extended Cure Period:

- (a) Imperial fails to pay or cause its Upfront Contribution or any portion thereof to be paid when due in accordance with the terms of the Definitive Documents;
- (b) Imperial fails to pay or cause any Annual Contribution or any portion thereof to be paid when due in accordance with the terms of the Definitive Documents;
- (c) Imperial fails to pay or cause a Tax Refund Cash Payment or any portion thereof to be paid when due in accordance with the terms of the Definitive Documents;
- (d) Imperial fails to provide any annual Business Plan and MD&A at all to the CCAA Plan Administrator in accordance with Article 10, Section 10.1 and Article 10, Section 10.2.2 herein;
- (e) Imperial fails to provide any quarterly financial statements and MD&A at all to the CCAA Plan Administrator in accordance with Article 10, Section 10.2.3 herein;
- (f) Imperial fails to provide any Annual Financial Statements at all to the CCAA Plan Administrator in accordance with Article 10, Section 10.2.1 herein;

- (g) Imperial fails to provide any information to the CCAA Plan Administrator at all regarding the calculation of the Annual Contributions and Reserved Amounts to be made by Imperial in respect of each calendar year in accordance with Article 10, Section 10.8 herein;
- (h) Imperial fails to respond to an *ad hoc* request from the CCAA Plan Administrator for information in connection with any of Imperial's Business Plan, annual MD&A, quarterly MD&A and Annual Financial Statements in accordance with Article 10, Section 10.3 herein;
- (i) Imperial fails to attend a quarterly meeting or any meeting scheduled *ad hoc* with the CCAA Plan Administrators in accordance with Article 10, Section 10.4 herein;
- (j) Imperial fails to provide the Contribution Security in accordance with Article 5, Section 5.13;
- (k) Any material provision in the CCAA Plan or in the Contribution Security Agreement or other Definitive Documents for any reason ceases to be valid, binding and enforceable against Imperial in accordance with its terms, or Imperial so asserts in writing;
- (l) Any representation or warranty made by Imperial in the CCAA Plan or in any other Definitive Document or in any report, certificate, financial statement or other instrument, agreement or document furnished pursuant hereto or thereto is false, incorrect, incomplete or misleading in any material respect as of the date that the representation or warranty was made or deemed to be made;
- (m) Imperial or its Material Subsidiary transfers any or all of its assets and business to any other entity including an unrelated company, a Canadian Affiliate of its Parent, or a Canada Newco, pursuant to its CCAA Plan or otherwise (except, for greater certainty, Permitted Transfers), or sells or otherwise disposes of its respective assets, including the disposition of manufacturing equipment and the transfer of trademarks, intellectual property and any other intangible assets, that are material to the conduct of the Ordinary Course of Business of Imperial or its Material Subsidiary, other than Permitted Transfers;
- (n) Imperial or its Material Subsidiary ceases or threatens to cease to carry on its business or admits its inability to pay its Indebtedness generally, or is insolvent or admits that it is insolvent;
- (o) Expressly excepting Imperial's CCAA Proceeding, a Bankruptcy Action exists in respect of Imperial or its Material Subsidiary;
- (p) Any arrangement not permitted by the Definitive Documents is proposed involving a reclassification, reorganization, change or conversion of Imperial's shares or its consolidation with or into another entity;
- (q) A judgment, writ of execution, garnishment, sequestration, distress, attachment or similar process is issued or levied for the payment of money in a sum which exceeds \$1 million against Imperial or its Material Subsidiary, and the same is not released, bonded, satisfied,

discharged, vacated, accepted for payment by an insurer or otherwise stayed within 30 days from the date of notice of entry thereof;

- (r) Any remedial order that causes or would reasonably be expected to cause a Material Adverse Effect is issued by any Governmental Authority in respect of Imperial or its Material Subsidiary pursuant to any environmental law;
- (s) Imperial or its Material Subsidiary violates any legal requirement which results in the issuance of an order or the cancellation of any license or certificate or approval by a Governmental Authority that causes or would reasonably be expected to cause a Material Adverse Effect;
- (t) Imperial conducts its business and operations, divests assets, rearranges ownership, alters its corporate structure and/or operational practices either directly or indirectly, in any manner that circumvents or is adverse to the intention underlying the CCAA Plan, including the ability of Imperial to pay the Global Settlement Amount in full;
- (u) Any Encumbrance for the benefit of one or more of the Claimants created upon any properties or assets of Imperial or its Material Subsidiary, or intended so to be, pursuant to any Definitive Document ceases to be a valid and perfected Encumbrance, having the priority contemplated in the Definitive Documents;
- (v) Imperial or its Material Subsidiary creates, incurs, assumes, suffers to exist or otherwise becomes bound by or subject to any Encumbrance upon any of its properties and assets other than a Permitted Encumbrance;
- (w) An encumbrancer pursuant to an Encumbrance takes possession of, or forecloses or retains, or sells or otherwise disposes of, or otherwise proceeds to enforce an Encumbrance over any of the property or assets of Imperial or its Material Subsidiary;
- (x) Imperial or its Material Subsidiary fails to comply with an order, decision or award made by the Arbitrator or the CCAA Court; or
- (y) The Parent fails to comply with its obligations pursuant to Article 5, Section 5.14, or an Order of the CCAA Court issued pursuant to Article 5, Section 5.14.

12.3 Cure of Events of Default

Upon the occurrence of an Event of Default, an Aggrieved Party may deliver written notice to Imperial of such default (“**Notice of Default**”) and:

- (a) If the Event of Default is one referred to in Article 12, Sections 12.2(j), 12.2(k) and 12.2(m) to 12.2(o) herein, no cure period (defined in subsections (b) or (c) as applicable below) shall apply;
- (b) If the Event of Default is one referred to in Article 12, Sections 12.2(a), 12.2(b) and 12.2(c) herein, and is capable of being remedied, Imperial shall have 10 days following receipt of the Notice of Default to remedy such default (“**Monetary Cure Period**”);

- (c) If the Event of Default is one referred to in Articles 12, Sections 12.2(d) to 12.2(i), 12.2(l) and 12.2(p) to 12.2(x) herein and is capable of being remedied, Imperial shall have 15 days following receipt of the Notice of Default to remedy such default (“**Non-Monetary Cure Period**”) or, if the nature of such Event of Default is such that it is capable of being remedied, but is not capable of being remedied within the Non-Monetary Cure Period, then the Non-Monetary Cure Period shall be extended for a period not to exceed 45 days from the date that Imperial receives the Notice of Default (the “**Extended Cure Period**”) as may be required to permit Imperial to remedy the Event of Default, provided that Imperial makes best efforts to remedy the Event of Default during the Extended Cure Period; or
- (d) If the Event of Default is the one referred to in Article 12, Section 12.2(y) herein and is capable of being remedied, the Parent shall have the Non-Monetary Cure Period to remedy such default or, if the nature of such Event of Default is such that it is capable of being remedied, but is not capable of being remedied within the Non-Monetary Cure Period, then the Non-Monetary Cure Period shall be extended for a period not to exceed the Extended Cure Period as may be required to permit the Parent to remedy the Event of Default, provided that the Parent makes best efforts to remedy the Event of Default during the Extended Cure Period.

The discontinuance or correction of an Event of Default shall constitute a cure thereof.

12.4 Breach of CCAA Plan

The occurrence during the Contribution Period of any of the following events constitutes a breach (“**Breach**”) of Imperial’s obligations pursuant to the CCAA Plan and other Definitive Documents:

- (a) On the part of Imperial:
 - (i) The provision of an annual Business Plan and MD&A to the CCAA Plan Administrators the contents of which are deficient as they do not fulfill the requirements of Article 10, Section 10.1 and Article 10, Section 10.2.2 herein;
 - (ii) The provision of quarterly financial statements and MD&A to the CCAA Plan Administrators the contents of which are deficient as they do not fulfill the requirements of Article 10, Section 10.2.3 herein;
 - (iii) The provision of Annual Financial Statements to the CCAA Plan Administrators the contents of which are deficient as they do not fulfill the requirements of Article 10, Section 10.2.1 herein;
 - (iv) The provision to the CCAA Plan Administrators of information regarding the quantum of the Contributions and Reserved Amounts to be made by Imperial in respect of each calendar year, the contents of which are deficient as they do not fulfill the requirements of Article 10, Section 10.8 herein;
 - (v) The provision of an unsatisfactory, incomplete or deficient response to an *ad hoc* request from the CCAA Plan Administrators for information in connection with any

of Imperial's Business Plan, annual MD&A, quarterly MD&A and Annual Financial Statements in accordance with Article 10, Section 10.3 herein;

- (vi) The making of a capital expenditure that exceeds the applicable CapEx Threshold contrary to Article 11, Section 11.3 herein;
 - (vii) The making of an Ordinary Course Divestiture that exceeds the applicable Ordinary Course Divestitures Threshold contrary to Article 11, Section 11.4 herein;
 - (viii) The application of the Metric to calculate the Annual Contributions in a manner which is contrary to the applicable provisions of the Definitive Documents; and
 - (ix) The calculation of the Reserved Amounts in a manner which is contrary to the applicable provisions of the Definitive Documents; and
- (b) Any failure on the part of Imperial and/or its Material Subsidiary to perform its obligations in any material respect under any of the Definitive Documents that is not expressly enumerated in Article 12, Sections 12.2 or 12.4 of the CCAA Plan will constitute a Breach that shall be resolved in accordance with the dispute resolution procedure set out in Section 13.1.

12.5 Recourse against Parent

Notwithstanding anything to the contrary in this CCAA Plan or any other Definitive Document, recourse against any Parent and its Affiliates other than Imperial and its Subsidiaries under or in respect of this CCAA Plan and the other Definitive Documents shall be limited solely to circumstances involving a default by such Person of its obligations under Section 5.14, as determined by the CCAA Court.

12.6 Waiver of Events of Default and Breaches

Any Event of Default or Breach may be waived in writing by the CCAA Plan Administrators, with the consent of the Provinces and Territories and any Impacted Claimants, subject to the approval of the CCAA Court.

ARTICLE 13. DISPUTE RESOLUTION PROCEDURE

13.1 Procedure for Dispute Resolution

Any question, issue, difference of opinion, disagreement, claim, complaint or dispute arising from or out of, or in any way in connection with the interpretation, implementation, application, compliance with, enforcement of, or alleged breach or violation of any terms of any of the Definitive Documents ("**Dispute**") shall be addressed and determined in accordance with Articles 12 and 13 herein which set out the procedure for the resolution of all Disputes ("**Dispute Resolution Procedure**"). Only the Aggrieved Parties, Imperial, its Tobacco Company Group and the CCAA Plan Administrators, as applicable, shall be entitled to participate in any arbitration or CCAA Court proceeding conducted in accordance with the Dispute Resolution Procedure.

13.2 Investigation of Events causing a Material Adverse Effect

Without limiting the rights of the Provinces, Territories and any other Impacted Claimants as Aggrieved Parties, if the CCAA Plan Administrators are made aware of an issue, event or condition regarding Imperial which caused or would reasonably be expected to cause a Material Adverse Effect, or may constitute a Breach or Event of Default, they will convene an *ad hoc* meeting with the PTLC Chair and any other Impacted Claimants to provide a preliminary report regarding the issue.

If further information is required, the PTLC and any other Impacted Claimants may consult and prepare a written request for particulars (“**Request for Particulars**”) which includes a statement of the Breach or Event of Default which Imperial is alleged to have committed. The PTLC Chair will provide the Request for Particulars to the CCAA Plan Administrators who shall send the Request for Particulars to Imperial. Notwithstanding the foregoing responsibility, the CCAA Plan Administrators may, in their discretion, decline to send to Imperial a Request for Particulars or other information request received from the PTLC Chair which, in the reasonable view of the CCAA Plan Administrators, is improper or irrelevant.

Within ten days of receipt of a Request for Particulars, Imperial shall be required to provide a written response to the Request for Particulars and advise why the circumstances at issue do not constitute a Breach or an Event of Default. The deadline specified for Imperial’s response may be extended on a case by case basis by the CCAA Plan Administrators, in consultation with the PTLC Chair, and will take into account the nature and complexity of the issue under review in order to set a reasonable and realistic time frame for the response.

The CCAA Plan Administrators will provide to the PTLC Chair Imperial’s written response to the Request for Particulars and their explanation regarding the alleged Breach or Event of Default. The PTLC Chair shall provide Imperial’s written response to the PTLC and any other Impacted Claimants.

The PTLC and any other Impacted Claimants will then consult and decide whether their position is that the issue:

- (a) Falls within Imperial’s Ordinary Course Operational Activities such that it is not a Breach or an Event of Default;
- (b) Is a Breach; or
- (c) Is an Event of Default.

13.3 Resolution of Breaches by Parties

If an Aggrieved Party is of the view that Imperial has committed a Breach and it wishes to resolve such Breach, the Aggrieved Party shall deliver a written notice (“**Notice of Breach**”) to Imperial providing particulars regarding the Breach to the extent they are known to the Aggrieved Party, including specifying all Sections of the Definitive Documents that are relevant to the Breach.

After receiving a Notice of Breach Imperial may, within 10 days of such receipt, deliver to the Aggrieved Party a written request for further written particulars regarding the Breach. The Aggrieved Party shall have 10 days to respond to such request in writing. The deadline specified for Imperial's response may be extended on a case by case basis by the CCAA Plan Administrator, in consultation with the Aggrieved Party, and will take into account the nature and complexity of the issue under review in order to set a reasonable and realistic time frame for the response.

Within 10 days after the later of the receipt of the Notice of Breach or the receipt of further particulars if any are known to the Aggrieved Party, Imperial shall deliver to the Aggrieved Party a written response to the Notice of Breach ("**Response**") which provides the full particulars of Imperial's position, including whether Imperial disputes the position of the Aggrieved Party in whole or in part, and the grounds for the disagreement with or denial of the position of the Aggrieved Party.

The Aggrieved Party and Imperial shall have a period of time not exceeding 30 days following the delivery of the Response to consider and, if they believe appropriate to do so, discuss or address the Breach. If the matter is addressed to the reasonable satisfaction of the Aggrieved Party and Imperial within such 30 day period, then the issue in dispute shall be deemed to be resolved and shall not be the basis for further remedies pursuant to the Definitive Documents.

13.4 Resolution of Breaches by Arbitrator

13.4.1 Notice of Arbitration

If the Aggrieved Party and Imperial fail to resolve a Breach within 30 days following Imperial's delivery of the Response, and the Aggrieved Party has decided to seek a resolution of the Breach by way of arbitration pursuant to Article 13, Section 13.2(b), they shall deliver a notice of arbitration to Imperial within a further thirty day period. Such notice of arbitration shall include the following information:

- (a) The specific terms of the Definitive Documents that are relevant to the Breach and the relief sought;
- (b) A concise summary of the material facts relevant to the issues raised in the Breach that are relied upon by the Aggrieved Party; and
- (c) A statement of the material facts that Imperial accepts as correct, and a concise summary of the additional material facts upon which Imperial relies.

Notwithstanding the foregoing, on the CCAA Court's own motion or upon application by any of the Aggrieved Party, Imperial, its Tobacco Company Group or the CCAA Plan Administrator as applicable, in exceptional circumstances the CCAA Court may, in its discretion, decide that it shall hear and determine a Breach in lieu of the Arbitrator doing so.

All Breaches referred to the Arbitrator shall be arbitrated in accordance with the provisions of the *Arbitration Act, 1991*, S.O. 1991, c. 17, except to the extent that those statutory provisions are expressly varied by the terms hereof or the terms of the other Definitive Documents.

13.4.2 Appointment of an Arbitrator

The Aggrieved Party and Imperial shall agree upon an Arbitrator to appoint who:

- (a) Is independent of the Parties and the CCAA Plan Administrators;
- (b) Is not and has never been in the employ of or under contract with any Party or any CCAA Plan Administrator at any time; and
- (c) Is qualified by education, experience and training to determine the subject matter of the Breach.

If the Aggrieved Party and Imperial are unable to reach an agreement regarding the choice of Arbitrator, the CCAA Court shall appoint the Arbitrator from a list of five prospective Arbitrators provided by the Aggrieved Party and Imperial. The five prospective Arbitrators shall fulfill the criteria set forth in subsections (a) to (c) immediately above and shall have not been rejected by the Aggrieved Party or Imperial. If the Aggrieved Party and Imperial are unable to agree upon the list of five prospective Arbitrators, then the CCAA Court may appoint an Arbitrator in its discretion.

The Arbitrator shall be empowered and shall have the discretion to conduct a mediation of the Breach and, in doing so, shall not be disqualified from conducting an arbitration hearing to resolve the Breach if the mediation is unsuccessful.

The Aggrieved Party shall advise the Arbitrator of the position of the CCAA Plan Administrator and provide to the Arbitrator any report prepared by the CCAA Plan Administrator in regard to the issue to be arbitrated.

13.5 Jurisdiction of Arbitrator

The Arbitrator has exclusive jurisdiction to determine:

- (a) All Disputes pertaining to a Breach unless, pursuant to Article 13, Section 13.4.1, the CCAA Court, in its discretion, decides that exceptional circumstances exist which warrant the CCAA Court hearing and determining a Breach in lieu of the Arbitrator doing so;
- (b) All questions pertaining to the interpretation of the terms of the Definitive Documents; and
- (c) All questions of fact, law and mixed fact and law that arise in any Dispute referred to the Arbitrator for determination pursuant to Article 13, Section 13.4 herein.

In deciding a Dispute, the Arbitrator shall apply the laws of the Province of Ontario and the Applicable Laws of Canada.

The Arbitrator may receive evidence, rely upon it and determine what, if any, weight to give to the evidence, whether or not such evidence is admissible in a court of law.

All decisions of the Arbitrator shall be final and conclusive for all purposes, and shall bind the parties to the arbitration.

No appeal shall lie to the CCAA Court or any other Court in Canada from a decision of the Arbitrator on questions of fact, law or mixed fact and law.

13.6 Arbitration Remedies

The Arbitrator shall decide a Dispute regarding a Breach in accordance with Applicable Law, including equity, and may order specific performance, injunctions and other equitable remedies.

If the Arbitrator makes a finding against Imperial in regard to (i) the application of the Metric to calculate the Annual Contributions [Article 12, Section 12.3(viii)], or (ii) the calculation of the Reserved Amounts [Article 12, Section 12.3(ix)], the Arbitrator may:

- (a) Fix the amount of the Annual Contributions or Reserved Amounts, as applicable, that the Arbitrator shall order Imperial to pay;
- (b) Remit the matter back to Imperial with the direction that it recalculate the Annual Contributions or Reserved Amounts in accordance with the Arbitrator's findings, and make a finding as to the amount of the adjustment Imperial owes to the Aggrieved Parties. The Arbitrator shall retain jurisdiction over the matter pending its final disposition; or
- (c) Make any other order which the Arbitrator determines is appropriate.

The Arbitrator has the jurisdiction to make an order as to interest or any additional sum in respect of any amount found to be due and owing by Imperial. If Imperial withholds payment of all or a portion of the Annual Contributions, or Reserved Amounts, then:

- (a) Interest shall accrue on the sum that is ultimately found to be owing to the Aggrieved Parties at the rate of interest payable pursuant to sections 127 and 129 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43 as amended, such interest to accrue daily until the arbitral award, inclusive of such interest, has been paid in full; and
- (b) Any interest paid by Imperial shall not be applied to reduce the balance of the Global Settlement Amount owing.

13.7 Enforcement of Arbitrator's Awards

A Party who is entitled to enforcement of an award made by the Arbitrator may make an application to the CCAA Court on notice to the Party or Person against whom enforcement is sought. The CCAA Court shall give a judgment enforcing the Arbitrator's award and shall have the same powers with respect to the enforcement of the Arbitrator's award as with respect to the enforcement of its own judgments.

13.8 Costs of Arbitration

The Arbitrator may award full indemnity costs of an arbitration which include the parties' legal expenses, the fees and expenses of the Arbitrator and any other expenses related to the arbitration.

13.9 Jurisdiction of CCAA Court

After the Effective Time, the CCAA Court shall retain jurisdiction over the CCAA Proceedings, be seized of the implementation of Imperial's CCAA Plan and have exclusive supervisory jurisdiction over the administration of the CCAA Plan, except that the US Bankruptcy Court shall retain jurisdiction with respect to the Sanction Recognition Order, and for the joint supervision of the Quebec Administration Plan by the CCAA Court and the Quebec Superior Court as described in Article 7, Section 7.2, until such time as the CCAA Plans have been fully implemented, including payment of the Global Settlement Amount in full.

The CCAA Court shall, in its discretion, give such directions and make such orders as are necessary to facilitate the Parties completing the implementation of the CCAA Plan, including determining any Disputes that may arise between the Tobacco Companies, any or all members of the Tobacco Company Groups, the Claimants and/or the CCAA Plan Administrators arising out of or relating to the CCAA Plan in accordance with the Dispute Resolution Procedure.

Without exception, the CCAA Court shall have the exclusive jurisdiction to determine:

- (a) Whether a matter falls within the scope of Article 13, Section 13.1 herein such that it shall be determined through the Dispute Resolution Procedure;
- (b) Whether, on the CCAA Court's own motion or upon application by an Aggrieved Party, Imperial, a member of its Tobacco Company Group or the CCAA Plan Administrators as applicable, the CCAA Court may, in its discretion, decide to hear and determine a Breach in lieu of the Arbitrator doing so in accordance with Article 13, Section 13.4 herein; and
- (c) All proceedings regarding Events of Default in accordance with Article 13, Section 13.11 herein.

13.10 Appeals from Orders or Decisions of CCAA Court

Imperial, any applicable members of its Tobacco Company Group, the CCAA Plan Administrator or any Aggrieved Party who is a party to a proceeding that is determined by the CCAA Court in accordance with the Dispute Resolution Procedure may appeal from the order or decision of the CCAA Court in accordance with Sections 13, 14 and 15 of the CCAA.

13.11 Resolution of Events of Default by CCAA Court

Upon the occurrence of any Event of Default, an Aggrieved Party shall be immediately entitled to exercise all rights and remedies available pursuant to the CCAA Plan and any other Definitive Documents and the laws of Ontario and the laws of Canada, including applying to the CCAA Court for such relief as the CCAA Court finds appropriate.

In addition, upon the occurrence of any of the Events of Default enumerated in Article 12, Sections 12.2(d) to 12.2(i) herein, the CCAA Plan Administrator shall also be entitled to apply to the CCAA Court for such relief as the CCAA Court finds appropriate.

The CCAA Court shall have the exclusive jurisdiction to determine all proceedings regarding Events of Default. The CCAA Court shall have exclusive jurisdiction to determine all matters related to the enforcement of the terms of the Contribution Security Agreement and the exercise of any rights, remedies and powers that the Collateral Agent may have under the Contribution Security Agreement, at law, in equity or under the PPSA.

During the pendency of any proceeding in the CCAA Court relating to the occurrence of an Event of Default, Imperial shall continue to comply with its obligations pursuant to the Definitive Documents, including the obligation to pay the Annual Contributions and Reserved Amounts for deposit into the Global Settlement Trust Account and Supplemental Trust Account.

Upon the occurrence of:

- (a) An Event of Default referred to in Article 12, Section 12.3(a) herein, or
- (b) An Event of Default referred to in Article 12, Section 12.3(b) or Section 12.3(c) herein, where either Imperial fails to cure such Event of Default within the Monetary Cure Period, Non-Monetary Cure Period or Extended Cure Period, as applicable, or such Event of Default is incapable of being cured,

the terms of Article 5, Section 5.11 shall govern, and Imperial shall fulfill its obligations thereunder. If Imperial fails to deposit into the Global Settlement Trust Account or the Supplemental Trust Account, as applicable, any amount at all on account of its respective share of any of the Upfront Contribution, any Annual Contribution or any Reserved Amounts, then the balance remaining to be paid of Imperial's share of the Global Settlement Amount shall accelerate and be deemed to be due and payable in full without any further action being required to be taken by any Aggrieved Party, and any and all amounts owing by Imperial under or in respect of the CCAA Plan or Definitive Documents shall bear interest at the rate of interest payable pursuant to sections 127 and 129 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43 as amended. In the event that an Impacted Claimant seeks to invoke the acceleration clause and any other Impacted Claimant or any Tobacco Company, including the defaulting Tobacco Company, take exception to such action, then the Impacted Claimant seeking to invoke the acceleration clause or the Tobacco Company may bring the issue before the CCAA Court for determination.

ARTICLE 14. CCAA PLAN ADMINISTRATORS

14.1 Appointment of CCAA Plan Administrators

Pursuant to the CCAA Plan Administrators Order, the CCAA Court shall be requested to approve the appointment of an Administrator for the CCAA Plan of each Tobacco Company (collectively, the “**CCAA Plan Administrators**”) which shall administer the implementation of the Tobacco Company's CCAA Plan. The CCAA Plan Administrators Order shall specify the effective date of the CCAA Plan Administrators' appointment.

Subject to the approval of the CCAA Court, the following firms shall be appointed to serve as the CCAA Plan Administrators until such time as such firms may be replaced with the further approval of the CCAA Court:

- (a) For Imperial, FTI Consulting Canada Inc;
- (b) For RBH, Ernst & Young Inc.; and
- (c) For JTIM, Deloitte Restructuring Inc.

14.2 Role of CCAA Plan Administrators

The CCAA Plan Administrators shall be neutral and independent from the Tobacco Companies, the Tobacco Company Groups and the Claimants and, in this capacity, shall report to the CCAA Court. From time to time, in their discretion, the CCAA Plan Administrators may seek directions from the CCAA Court regarding any matters relevant to the implementation or administration of the Tobacco Companies' CCAA Plans.

For greater certainty, in no circumstances shall the CCAA Plan Administrators:

- (a) Be or be deemed to be the representatives of the Claimants, Tobacco Companies and/or Tobacco Company Groups for the purposes of the implementation and administration of the CCAA Plan (including, without limitation, in respect of any notice, consent or agreement contemplated herein), or for any other purpose;
- (b) Have the authority to bind any of the Claimants in respect of any matters relating to the CCAA Plan, or any other matter; or
- (c) Have the authority to bind any of the Tobacco Companies or Tobacco Company Groups in respect of any matters relating to the CCAA Plan, or any other matter.

The global settlement of all Tobacco Claims in Canada involves the concurrent resolution of the CCAA Proceedings of Imperial, RBH and JTIM in accordance with the terms of the CCAA Plans. As will be set forth with more particularity in the CCAA Plan Administrators Order in each CCAA Proceeding, as appropriate and as necessitated by the circumstances of the matters being addressed, the CCAA Plan Administrators shall consult with each other and act jointly and in concert in fulfilling their duties and responsibilities enumerated in Article 14, Section 14.4 herein. Accordingly, in certain instances in the CCAA Plan, the joint fulfillment of the CCAA Plan Administrators' duties and responsibilities is referenced. The CCAA Plan Administrators shall have access to all documents and information provided by each Tobacco Company during the Contribution Period, including the financial and other information produced by each Tobacco Company pursuant to Article 10 of the CCAA Plan.

14.3 Trustees of the Global Settlement Trust Account, PCC Trust Account, QCAP Trust Account and Cy-près Trust Account

The CCAA Plan Administrators shall be the trustees of the Global Settlement Trust Account, PCC Trust Account, QCAP Trust Account and Cy-près Trust Account [subject to review once the

structure of the Cy-près Foundation is more firmly established and/or to accommodate any delay in the timing of the establishment and commencement of operation by the Cy-près Foundation]. For greater certainty, the CCAA Plan Administrators shall not be trustees in any capacity other than in regard to holding the Global Settlement Trust Account, the PCC Trust Account, QCAP Trust Account and the Cy-près Trust Account [subject to review once the structure of the Cy-près Foundation is more firmly established and/or to accommodate any delay in the timing of the establishment and commencement of operation by the Cy-près Foundation].

14.4 Duties and Responsibilities of CCAA Plan Administrators

In implementing the administration of the CCAA Plans during the Contribution Period, the duties and responsibilities of the CCAA Plan Administrators shall be as set out below provided, however, that the CCAA Plan Administrators shall incur no liability of any kind whatsoever to the Provinces, Territories, any Impacted Claimants or any other Person in respect of their performance of such duties and responsibilities and shall be held harmless in this regard:

- (a) On an annual basis, receiving and reviewing the Business Plan and accompanying MD&A which each Tobacco Company shall provide pursuant to Article 10, Sections 10.1 and Section 10.2.2 of their respective CCAA Plans;
- (b) On a quarterly basis, receiving and reviewing the financial statements and accompanying MD&A which each Tobacco Company shall provide pursuant to Article 10, Section 10.2.3 herein;
- (c) On an annual basis, receiving and reviewing the financial statements with notes that each Tobacco Company shall provide pursuant to Article 10, Section 10.2.1 herein;
- (d) Receiving and reviewing the information that each Tobacco Company shall provide to the CCAA Plan Administrators regarding the calculation of the Annual Contributions and Reserved Amounts to be paid by each Tobacco Company in respect of each calendar year pursuant to Article 10, Section 10.8 herein;
- (e) Receiving and reviewing the information that each Tobacco Company shall provide in response to the *ad hoc* requests made from time to time by the CCAA Plan Administrators in connection with the Tobacco Company's Business Plan, annual MD&A, quarterly MD&A and Annual Financial Statements pursuant to Article 10, Section 10.3 herein;
- (f) Reporting to the Provinces, Territories and any Impacted Claimants regarding any issue, event or condition pertaining to a Tobacco Company which is disclosed to the CCAA Plan Administrators as an event which may constitute a Material Adverse Effect, or may constitute a Breach or an Event of Default;
- (g) Overseeing the investment of the Upfront Contributions, Annual Contributions and Reserved Amounts in accordance with approved investment guidelines pending disbursement to the Claimants, and reporting from time to time to the Provinces, Territories and any Impacted Claimants regarding same;

- (h) Reporting to the Provinces, Territories and any Impacted Claimants regarding the calculation of the amount of the Annual Contributions and Reserved Amounts payable by the Tobacco Companies in each calendar year;
- (i) Overseeing and concurring with the release of funds from the Supplemental Trust Account pursuant to Article 5;
- (j) Administering the distribution to the Claimants of amounts from the Global Settlement Trust Account in accordance with Article 16, Sections 16.1, 16.2 and 16.3 until such time as the implementation of all of the CCAA Plans has been completed;
- (k) Overseeing the administration of the PCC Compensation Plan including:
 - (i) Ensuring that the PCC Compensation Plan Amount is invested in accordance with approved investment guidelines pending disbursement to the Claims Administrator for payment to the Eligible Pan-Canadian Claimants;
 - (ii) Entering into a written agreement, that is subject to approval by the CCAA Court, with the Claims Administrator for the provision of services to process claims made to the PCC Compensation Plan;
 - (iii) Reviewing the budget submitted by the Claims Administrator for the administration of the claims made to the PCC Compensation Plan;
 - (iv) From time to time, advancing instalments of funds from the PCC Compensation Plan Amount to the Claims Administrator to enable it to make Individual Payments to Eligible Pan-Canadian Claimants; and
 - (v) Receiving and reviewing reports made annually, and as circumstances warrant at any other times as requested by the CCAA Plan Administrators in their discretion or as the CCAA Court directs, by the Claims Administrator regarding, without limitation, the publication of notices, the PCC Claims Application Deadline to file claims, claims approved, claims rejected, claims under review, any delays in the claims process, disbursements made to Eligible Pan-Canadian Claimants, fees charged and disbursements made;
- (l) Overseeing the administration of the Cy-près Fund [subject to review once the structure of the Cy-près Foundation is more firmly established and/or to accommodate any delay in the timing of the establishment and commencement of operation by the Cy-près Foundation];
- (m) Overseeing the administration of the Quebec Administration Plan including:
 - (i) Ensuring that the QCAP Settlement Amount is invested in accordance with approved investment guidelines pending disbursement to the Claims Administrator for payment to the Eligible *Blais* Class Members;

- (ii) Entering into a written agreement, that is subject to approval by the CCAA Court, with the Claims Administrator for the provision of services to process claims made to the Quebec Administration Plan;
 - (iii) Reviewing the budget submitted by the Claims Administrator for the administration of the claims made to the Quebec Administration Plan;
 - (iv) From time to time, advancing instalments of funds from the QCAP Settlement Amount to the Claims Administrator to enable it to make Compensation Payments to Eligible *Blais* Class Members; and
 - (v) Receiving and reviewing reports made annually, and as circumstances warrant at any other times as requested by the CCAA Plan Administrators in their discretion or as the CCAA Court directs, by the Claims Administrator regarding, without limitation, the publication of notices, the *Blais* Claims Application Deadline to file claims, claims approved, claims rejected, claims under review, any delays in the claims process, disbursements made to Eligible *Blais* Class Members, fees charged and disbursements made;
- (n) On an annual basis, and as circumstances warrant at any other times in the discretion of the CCAA Plan Administrators, or as the CCAA Court directs, reporting to the CCAA Court regarding:
- (i) The annual amounts of the Annual Contributions and Reserved Amounts paid by the Tobacco Companies for deposit into the Global Settlement Trust Account and Supplemental Trust Account, and the progress of the payment of the share of the Global Settlement Amount allocated to the Provinces and Territories;
 - (ii) The progress of the payment of the share of the Global Settlement Amount allocated to the Tobacco Producers;
 - (iii) The progress of the administration of the PCC Compensation Plan including the publication of notices, the PCC Claims Application Deadline to file claims, claims approved, claims rejected, claims under review, any delays in the claims process, disbursements made to Eligible Pan-Canadian Claimants, fees charged and disbursements made;
 - (iv) The progress of the administration of the Cy-près Fund; [subject to review once the structure of the Cy-près Foundation is more firmly established and/or to accommodate any delay in the timing of the establishment and commencement of operation by the Cy-près Foundation];
 - (v) The progress of the administration of the Quebec Administration Plan including the publication of notices, the *Blais* Claims Application Deadline to file claims, claims approved, claims rejected, claims under review, any delays in the claims process, disbursements made to Eligible *Blais* Class Members, fees charged and disbursements made; and

- (vi) Any other matter which the CCAA Plan Administrators in their discretion deem to be appropriate.

For greater certainty, the CCAA Plan Administrators shall not conduct an audit or other assurance engagement, or otherwise attempt to verify the accuracy or completeness of the financial information in each Tobacco Company's Business Plan, annual MD&A, quarterly MD&A, Annual Financial Statements and any information produced by a Tobacco Company in response to an *ad hoc* request from the CCAA Plan Administrators.

Also for greater certainty, the duties and responsibilities of the CCAA Plan Administrators shall be fully described in orders of the CCAA Court appointing the CCAA Plan Administrators.

14.5 CCAA Plan Administrators' Communications with Claimants

The CCAA Plan Administrators shall communicate with:

- (a) the Chair of the Provincial and Territorial Liaison Committee representing the Provinces and Territories;
- (b) the Administrative Coordinator in regard to the Quebec Administration Plan and Quebec Class Counsel representing the Quebec Class Action Plaintiffs;
- (c) the Administrative Coordinator in regard to the PCC Compensation Plan and the PCC Representative Counsel for the Pan-Canadian Claimants;
- (d) Dr. Robert Bell, the Chair of the Cy-Près Foundation;
- (e) *Knight* Class Counsel; and
- (f) Counsel for the Tobacco Producers.

Notwithstanding the foregoing, in the performance of their duties and responsibilities under the CCAA Plan, the CCAA Plan Administrators may, in their discretion, communicate with any individuals as necessary or desirable.

14.6 Distributions to Claimants from Global Settlement Trust Account

The CCAA Plan Administrators shall, subject to the approval of the CCAA Court, administer the Global Settlement Trust Account and, from time to time, shall authorize the payment from the Global Settlement Trust Account of distributions in accordance with Article 16, Sections 16.1, 16.2 and 16.3 herein, which will be paid to the:

- (a) Quebec Class Action Plaintiffs;
- (b) Pan-Canadian Claimants;
- (c) Provinces and Territories;
- (d) Cy-près Foundation;

- (e) Tobacco Producers ; and
- (f) *Knight* Class Action Plaintiffs.

14.7 Advisors to CCAA Plan Administrator

The CCAA Plan Administrator, in its discretion, may retain any advisors, including legal, financial, investment or other advisors, to advise and assist it to carry out its duties in relation to the administration of the CCAA Plan.

14.8 Role of Court-Appointed Mediator after Sanction Order

The Court-Appointed Mediator may provide any services after the date of the Sanction Order, as requested by either the CCAA Plan Administrators or the CCAA Court, and approved by the CCAA Court.

14.9 Payment of Costs

The professional fees, other fees, costs, disbursements, expenses, court costs and other expenditures, and all applicable sales taxes thereon (collectively, “**Costs**”), charged and incurred in relation to the settlement of the Tobacco Claims and the implementation and administration of the CCAA Plan shall be paid as follows:

- (a) All Costs incurred in respect of:
 - (i) All services which the CCAA Plan Administrator provides in relation to the implementation and administration of the CCAA Plan, including the fulfillment of its duties and responsibilities enumerated in Article 14, Section 14.4 herein, and
 - (ii) All services provided by all legal, financial, investment or other advisors engaged by the CCAA Plan Administrator,shall be paid biweekly by Imperial. From time to time, the CCAA Plan Administrator shall pass its accounts in the CCAA Court at intervals as the CCAA Court directs;
- (b) All Costs for the services of the Court-Appointed Mediator provided after the date of the Sanction Order, including for the services of any of his legal or other advisors, shall be paid equally by the Tobacco Companies;
- (c) All Costs for the services of the Claims Administrator, including for the services of any of its legal or other advisors, incurred in respect of the administration of the PCC Compensation Plan shall be paid equally by the Tobacco Companies;
- (d) All Costs for the services provided by the Administrative Coordinator, including for the services of any legal or other advisors to the Administrative Coordinator, shall be paid equally by the Tobacco Companies;

- (e) All Costs incurred in respect of the administration of the Cy-près Foundation shall be paid from the Cy-près Fund;
- (f) The Quebec Class Counsel Fee shall be paid out of and deducted from the QCAP Settlement Amount. The Quebec Class Counsel Fee and the retainer agreement respecting fees and disbursements between the Quebec Class Counsel and the representative plaintiffs in the Quebec Class Actions are subject to the approval of the CCAA Court and shall be dealt with at the Sanction Hearing;
- (g) All Costs incurred in respect of the services provided by Raymond Chabot (as agent for the Quebec Class Counsel on behalf of the QCAPs) in relation to the Quebec Administration Plan both before and after the Plan Implementation Date shall be paid by the Quebec Class Counsel out of the Quebec Class Counsel Fee;
- (h) All Costs for the services of the Claims Administrator, including for the services of any of its legal or other advisors, incurred in respect of the administration of the Quebec Administration Plan shall be paid from the balance of the QCAP Settlement Amount net of the Quebec Class Counsel Fee;
- (i) All Costs for the services which the PCC Representative Counsel, including their advisors, provide in connection with the performance of their duties under the CCAA Plan, including the PCC Compensation Plan, and in the CCAA Proceeding shall be paid equally by the Tobacco Companies;
- (j) The Counsel for the Tobacco Producers' Fee shall be paid out of and deducted from the Tobacco Producers Settlement Amount. The Counsel for the Tobacco Producers' Fee and the retainer agreement respecting fees and disbursements between the Counsel for the Tobacco Producers and the representative plaintiffs in the Tobacco Producers' Actions are subject to the approval of the CCAA Court;
- (k) All Costs and disbursements of any kind incurred in respect of the administration of the distribution of payments to eligible Tobacco Producers shall be paid from the Tobacco Producers Settlement Amount;
- (l) The *Knight* Class Counsel Fee shall be paid out of and deducted from the *Knight* Class Action Plaintiffs Settlement Amount. The *Knight* Class Counsel Fee and the retainer agreement respecting fees and disbursements between the *Knight* Class Counsel and the representative plaintiff in the *Knight* Class Action are subject to the approval of the CCAA Court; and
- (m) All Costs and disbursements of any kind incurred in respect of the settlement of the *Knight* Class Action shall be paid from the *Knight* Class Action Plaintiffs Settlement Amount.

The Costs enumerated in Article 14, Sections 14.9(a), (b), (c), (d) and (i) are expenses of the business and deducted from income in the calculation of the Metric.

ARTICLE 15. CCAA PLAN ADMINISTRATION RESERVE AND PCC COMPENSATION PLAN RESERVE

15.1 CCAA Plan Administration Reserve

On the Plan Implementation Date, the CCAA Plan Administration Reserve in the amount of \$25.0 million, which sum shall be paid out of the Upfront Contributions, shall be established as security for the CCAA Plan Administration Reserve Costs.

The CCAA Plan Administrator will hold the CCAA Plan Administration Reserve in trust for those entitled to be paid CCAA Plan Administration Reserve Costs pursuant to the CCAA Plan. If the CCAA Plan Administration Reserve is no longer required as security after the administration of the CCAA Plan has been completed, any amount remaining in the CCAA Plan Administration Reserve shall be released by the CCAA Plan Administrator and paid to the Provinces and Territories in accordance with the percentages set out in the table in Article 16, Section 16.3.

15.2 PCC Compensation Plan Reserve

On the Plan Implementation Date, the PCC Compensation Plan Reserve in the amount of \$5.0 million, which sum shall be paid out of the Upfront Contributions, shall be established as security for the PCC Compensation Plan Reserve Costs.

The CCAA Plan Administrators will hold the PCC Compensation Plan Reserve in trust for those entitled to be paid PCC Compensation Plan Reserve Costs pursuant to the CCAA Plan. If the PCC Compensation Plan Reserve is no longer required as security after the administration of the CCAA Plan has been completed, any amount remaining in the PCC Compensation Plan Reserve shall be released by the CCAA Plan Administrators and paid to the Provinces and Territories in accordance with the percentages set out in the table in Article 16, Section 16.3.

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ARTICLE 16. CLAIMANT ALLOCATION

16.1 Claimant Allocation

The Global Settlement Amount shall be allocated among the Claimants and the Cy-près Foundation (“**Claimant Allocation**”) as follows:

All amounts in CAD, billions

Provinces and Territories Settlement Amount:	24.725
QCAP Settlement Amount (\$4.250 minus \$0.131 allocated to Cy-près Foundation):	4.119
PCC Compensation Plan Amount:	2.521
Cy-près Fund (inclusive of \$0.131 QCAP Cy-près Contribution):	1.000
Tobacco Producers Settlement Amount:	0.015
<i>Knight</i> Class Action Plaintiffs Settlement Amount:	0.015
Miscellaneous Claims Amount:	0.025
CCAA Plan Administration Reserve	0.075
PCC Compensation Plan Reserve	<u>0.005</u>
Total:	32.500

Estimated Upfront

Contributions Available: 12.456 See calculation below, 2

Period ⁴	Upfront Contribution	Annual Contributions					Remainder to end of Contribution Period	Total
		Year 1 (2025)	Year 2 ('26)	Year 3 ('27)	Year 4 ('28)	Year 5 ('29)		
Amount Available ³	12.456	1.111	1.078	1.067	1.037	1.037	14.714	32.500
Provinces & Territories	6.282	0.361	0.682	0.942	0.912	0.912	14.714	24.725
QCAPs ^{5, 6, 7, 8}	3.869	0.250						4.119
PCCs ^{6, 7, 8}	1.750	0.500	0.271					2.521
Cy-près Foundation ^{5, 6}	0.500		0.125	0.125	0.125	0.125		1.000
Tobacco Producers ⁸	0.015							0.015
<i>Knight</i> Class Action Plaintiffs ⁸	0.015							0.015
Miscellaneous Claims Fund ⁷	0.025							0.025
CCAA Plan Administration Reserve ⁷	0.075							0.075
PCC Compensation Plan Reserve ⁷	0.005							0.005
Total allocated	12.456	1.111	1.078	1.067	1.037	1.037	14.714	32.500

16.2 Explanatory Notes

1. In preparing the Claimant Allocation, the Court-Appointed Mediator and Monitors have been provided with, and have relied upon, unaudited financial information prepared by the Tobacco Companies. The Monitors have reviewed this financial information for reasonableness, internal consistency and use in the context in which it was provided. However, the Monitors have not audited, or otherwise attempted to verify the accuracy or completeness of such information in a manner that would wholly or partially comply with GAAS pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, the Monitors express no opinion or other form of assurance contemplated under GAAS in respect of the financial information. For clarity, the Court-Appointed Mediator has not reviewed the aforementioned financial information.

This financial information consists of forecasts and projections. An examination or review of the financial forecast and projections, as outlined in the Chartered Professional

Accountants of Canada Handbook, has not been performed. The financial information was prepared based on the Tobacco Companies' estimates and assumptions.

Readers are cautioned that since projections are based on assumptions about future events and conditions that are not ascertainable, the actual results will vary from the projections, even if the assumptions materialize, and the variations could be significant.

2. In the table below, the Upfront Contributions are as estimated as at December 31, 2024 and calculated as estimated in the Spring 2024 5-year forecasts prepared by the Tobacco Companies. The Upfront Contributions will be as noted herein for all Claimants except the Provinces and Territories. The Upfront Contributions for the Provinces and Territories will be equal to the total Upfront Contributions less the Upfront Contributions being paid to the other Claimants, the Miscellaneous Claims Amount, the CCAA Plan Administration Reserve and the PCC Compensation Plan Reserve.

All amounts in CAD, billions

Projected Upfront Contributions as at December 31, 2024:

JTIM:	1.581
ITCAN:	4.849
RBH:	5.792
Cash Security Deposits:	0.984
<hr/>	
Total:	13.206
Less: Working Capital	(0.750)
<hr/>	
Projected Available Upfront Contributions:	12.456
<hr/>	

3. The Annual Contribution percentage of Net After-Tax Income is calculated as set out in the CCAA Plan. The Claimant Allocation is based on 85% of estimated Net After-Tax Income received from the Tobacco Companies (the percentage of Net After-Tax Income to be reduced in 5.0% increments every five years pursuant to Article 5, Section 5.6 herein). The "Amount Available" is based on the 5-year financial projections provided by the Tobacco Companies in spring 2024. The projection assumes that the 2028 results are replicated thereafter. The Claimant Allocation does not include any Tax Refunds that may be available during the Contribution Period.
4. Payment is contemplated to be made within 182 days following the end of the period noted. For example, the "Year 1 (2025)" payment would be made in mid 2026.

5. The Cy-près Fund includes \$131 million of the QCAP Settlement Amount funded to the Cy-près Fund (in addition to the \$869 million specifically allocated to the Cy-près Fund).
6. The Year 1 and Year 2 payments to the QCAPs and the PCCs and the Year 2 payment to the Cy-près Foundation will be made in priority to those being made to the Provinces and Territories in the event of a shortfall relative to the estimated Annual Contributions available.
7. If there are any funds remaining in the QCAP Settlement Amount, the PCC Compensation Plan Amount, the CCAA Plan Administration Reserve, the PCC Compensation Plan Reserve and/or the Miscellaneous Claims Fund, such funds shall be paid to the Provinces and Territories (in accordance with the percentages set out in the table in Article 16, Section 16.3), as the foregoing is more particularly defined in paragraph 55 of the Quebec Administration Plan, paragraph 54 of the PCC Compensation Plan, Article 15, Sections 15.1 and 15.2 herein, and Article 18, Section 18.2.4 herein.
8. The Quebec Class Counsel Fee, Counsel for the Tobacco Producers' Fee and *Knight* Class Counsel Fee are subject to approval by the CCAA Court. Subject to such approval, these fees will be paid in full at the time of plan implementation.

16.3 Provincial and Territorial Allocation

The Provinces and Territories have agreed that the Provinces and Territories Settlement Amount shall be apportioned among the Provinces and Territories in accordance with the percentages set out in the table below:

Province/Territory	Percentage Share of Provinces and Territories Settlement Amount
British Columbia	14.4710%
Alberta	12.6272%
Saskatchewan	2.8787%
Manitoba	4.5252%
Ontario	28.7761%
Québec	26.8248%
New Brunswick	2.4117%
Nova Scotia	3.1740%

Province/Territory	Percentage Share of Provinces and Territories Settlement Amount
Prince Edward Island	0.6605%
Newfoundland and Labrador	2.1471%
Yukon	0.3973%
Northwest Territories	0.7269%
Nunavut	0.3795%
Total:	100.0000%

ARTICLE 17. DISTRIBUTIONS, PAYMENTS AND CURRENCY

17.1 Distributions Generally

All distributions to Affected Creditors and other payments to be effected pursuant to the CCAA Plan will be made pursuant to this Article 17. For greater certainty, all payments and distributions pursuant to this Article 17 will be subject to satisfaction or waiver of the Plan Implementation Conditions set forth in Article 19, Section 19.3 and the occurrence of the Effective Time, and will occur in accordance with the timing set out in Article 4, Section 4.2. Except as otherwise expressly stated herein, FTI, whether in its capacity as the Monitor and/or as the CCAA Plan Administrator, shall have the sole discretion to determine the timing for any distributions to be made under the CCAA Plan.

17.2 Payment of Claimants' Claims

All distributions to the Claimants will be made pursuant to this Article 17 and Article 16, Sections 16.1, 16.2 and 16.3 herein.

17.3 Payment of Miscellaneous Claims

All distributions to any Putative Miscellaneous Claimants will be made pursuant to this Article 17 and Article 18, Section 18.2.1 to Section 18.2.5.

17.4 Payment of Claims secured by the Administration Charge

To the extent that such payments have not already been made, forthwith after the Plan Implementation Date, Imperial shall pay in full all Claims secured by the Administration Charge as at the Plan Implementation Date.

17.5 Payment of Claims secured by the Court-Appointed Mediator Charge

To the extent that such payments have not already been made, forthwith after the Plan Implementation Date, Imperial shall pay in full all Claims secured by the Court-Appointed Mediator Charge as at the Plan Implementation Date.

17.6 Method of Distribution

All distributions or other payments by the CCAA Plan Administrators to any Person entitled to receive a distribution or payment under the CCAA Plan shall be made by wire transfer in accordance with wire transfer instructions, in form satisfactory to the CCAA Plan Administrators, provided by such Person to the CCAA Plan Administrators at least fifteen (15) Business Days prior to the Plan Implementation Date. If any such Person wishes to thereafter change its wire transfer instructions, notice, in form satisfactory to the CCAA Plan Administrators, must be given to the CCAA Plan Administrators at least fifteen (15) Business Days prior to any subsequent distribution or payment date.

For greater certainty, the CCAA Plan Administrators may, prior to initiating any wire transfer, make any verifications, as they deem appropriate in their discretion, to confirm and validate the wire transfer instructions received.

Notwithstanding the foregoing, in circumstances where the CCAA Plan Administrators consider it more practical or efficient to do so, certain payments hereunder may also be made by cheque.

17.7 Addresses for Distribution

Prior to the applicable Distribution Record Date, an Affected Creditor may, in writing to Imperial and FTI, whether in its capacity as the Monitor and/or as the CCAA Plan Administrator, change its address on file with Imperial for distribution purposes. For the avoidance of doubt, FTI will not have any responsibility to track such addresses or notices in any capacity.

17.8 Withholding Rights

FTI, whether in its capacity as the Monitor and/or as the CCAA Plan Administrator, Imperial and any other Person facilitating payments pursuant to the CCAA Plan will be entitled to deduct and withhold from any such payment to any Person such amounts as may be required to be deducted or withheld under any Applicable Law and to remit such amounts to the appropriate Governmental Authority or other Person entitled thereto. To the extent that amounts are so withheld or deducted and remitted to the appropriate Governmental Authority or other Person, such withheld or deducted amounts will be treated for all purposes hereof as having been paid to such Person as the remainder of the payment in respect of which such withholding or deduction was made. Without in any way limiting the generality of the foregoing, FTI, on behalf of Imperial, shall deduct from any distribution to an Affected Creditor hereunder any amounts as indicated by Employment and Social Development Canada in a Notice of Debt and remit such amounts to Employment and Social Development Canada pursuant to the *Employment Insurance Act* (Canada). Any Affected Creditor whose address on file with Imperial on the Distribution Record Date is not a Canadian address will be treated as a non-resident of Canada for purposes of any applicable non-resident withholding tax on all payments hereunder, subject to receipt by FTI or Imperial of information

satisfactory (in their sole discretion) that such Affected Creditor is not a non-resident. No gross-up or additional amount will be paid on any payment hereunder to the extent FTI, Imperial or any other Person deducts or withholds amounts pursuant to Article 17, Section 17.8. Notwithstanding any withholding or deduction, each Person receiving a payment will have the sole and exclusive responsibility for the satisfaction and payment of any tax obligations imposed by any Governmental Authority (including income and other tax obligations on account of such distribution).

17.9 Cancellation of Certificates and Notes, etc.

At the Effective Time, all debentures, notes, certificates, indentures, guarantees, agreements, invoices and other instruments evidencing Affected Claims, Released Claims or Miscellaneous Claims (and all guarantees associated with each of the foregoing), will not entitle any holder thereof to any compensation or participation other than as expressly provided for in the CCAA Plan and will be deemed cancelled and extinguished and be null and void.

17.10 Calculations

All amounts to be paid to the Claimants by Imperial pursuant to the CCAA Plan shall be calculated in accordance with Article 5, Section 5.1 to Section 5.15.

17.11 Currency Matters

Distributions to any Persons entitled to distributions under the CCAA Plan will be paid in Canadian dollars and any such Claims that are denominated in a currency other than the lawful money of Canada will be converted to the equivalent thereof in the lawful money of Canada at the noon rate of exchange as quoted by the Bank of Canada on March 8, 2019, in accordance with the Claims Procedure Order.

ARTICLE 18. RELEASES, MISCELLANEOUS CLAIMS, INJUNCTIONS AND DISPOSITION OF PENDING PROCEEDINGS

18.1 CCAA Plan Releases

18.1.1 Consideration for Release

The release (“**Release**”) is given by the Releasors, individually and collectively, in consideration of (a) the Tobacco Companies’ payment of the Upfront Contributions and promise to pay the Annual Contributions and Reserved Amounts to the Global Settlement Trust Account and Supplemental Trust Account in accordance with the Definitive Documents, (b) the agreement to provide shared services and other operational support to the Tobacco Companies by their respective Parents and relevant Affiliates, and (c) the other promises and commitments made by the Released Parties, or any of them as applicable, in the Definitive Documents.

18.1.2 Release

At the Effective Time, each of the Released Parties shall be, and shall be deemed to be, fully, finally, irrevocably and unconditionally released and forever discharged of and from any and all

of the Released Claims that any of the Releasors has ever had, now has, or may hereafter have against the Released Parties or any of them (either individually or with any other Person), whether or not based on conduct continuing after the Effective Time and whether or not presently known to any of the Releasors.

18.1.3 Claimant Contractual Release

The Claimant Contractual Release, which is attached to the CCAA Plan as Schedule “T”, shall be executed and delivered by Imperial and each of the Claimants, or an authorized Person on their behalf, in favour of the Released Parties, the Monitors, the CCAA Plan Administrators, the Court-Appointed Mediator and the Administrative Coordinator, and their respective Representatives, and shall take effect as at the Effective Time. From and after the Effective Time, the Claimant Contractual Release will be binding on and enure to the benefit of the Released Parties, the Monitors, the CCAA Plan Administrators, the Court-Appointed Mediator and the Administrative Coordinator and their respective Representatives.

18.1.4 Release of Monitors

At the Effective Time, all Persons including the Released Parties, the Releasors and Affected Creditors (whether or not CCAA proofs of claim have been filed on their behalf), and the Unaffected Creditors, individually and collectively, shall be deemed to fully, finally, irrevocably and unconditionally release and forever discharge the Monitors and the CCAA Plan Administrators, and their respective Affiliates, shareholders, Affiliates’ shareholders, directors, officers, employees, legal counsel, advisors, consultants, Representatives and agents from any and all Claims whatsoever, which they have ever had, now have, or may hereafter have, against them, whether foreseen or unforeseen, whether matured or unmatured, or whether or not presently known, arising from or out of in whole or in part any omission, transaction, duty, responsibility, liability, obligation, dealing or other occurrence, or in any way in connection with the CCAA Proceedings, including: (i) any Claim that has been barred or extinguished pursuant to the terms of the Claims Procedure Order and/or the terms of the CCAA Plan; (ii) the CCAA Proceedings; (iii) the Chapter 15 Proceedings; (iv) the actions of the Monitors or the CCAA Plan Administrators and their legal counsel and advisors in connection with the CCAA Proceedings or the Chapter 15 Proceedings; (v) the business and affairs of the Tobacco Companies whenever or however conducted; (vi) the administration and management of the Tobacco Companies whenever or however conducted; (vii) the allocation of the Global Settlement Amount and any distributions, payments, disbursements from the Global Settlement Amount, and/or (viii) any matter or transaction involving any of the Tobacco Companies occurring in or in connection with the CCAA Proceedings or the Chapter 15 Proceedings including the CCAA Plans, the development thereof, and any and all actions, steps or transactions taken by the Monitors to implement the CCAA Plans, including in their capacity as CCAA Plan Administrators and in FTI’s capacity as the Foreign Representative, and in each case, all Claims arising out of aforesaid actions or omissions above shall be forever waived and released (other than the right to enforce the Monitors’ obligations under the CCAA Plans or any related document), all to the fullest extent permitted by Applicable Law.

Nothing in this Release shall derogate from the protections afforded to the Monitors or the CCAA Plan Administrators as officers of the CCAA Court, or in the case of FTI, as the Foreign

Representative, and by the CCAA Plans, the CCAA, any other applicable legislation and any Orders made in the CCAA Proceedings or the Chapter 15 Proceedings. For greater certainty, the Monitors and the CCAA Plan Administrators shall not be responsible or liable for any obligations of the Tobacco Companies. The Monitors and the CCAA Plan Administrators and their respective Affiliates, shareholders, Affiliates' shareholders, employees, advisors, legal counsel, Representatives or agents shall not incur any personal liability whatsoever whether on their own part or in respect of any failure on the part of any Tobacco Company to observe, perform or comply with any of its obligations under its CCAA Plan or any other Definitive Document.

18.1.5 Release of Court-Appointed Mediator

At the Effective Time, all Persons including the Released Parties, the Releasors and Affected Creditors (whether or not CCAA proofs of claim have been filed on their behalf), and the Unaffected Creditors, individually and collectively, shall be deemed to fully, finally, irrevocably and unconditionally release and forever discharge the Court-Appointed Mediator, and his Representatives, legal counsel, consultants and advisors, from any and all Claims whatsoever, which they have ever had, now have, or may hereafter have, against them, whether foreseen or unforeseen, whether matured or unmatured, or whether or not presently known to the Released Parties, Releasors, Affected Creditors and Unaffected Creditors arising from or out of in whole or in part any omission, transaction, duty, responsibility, liability, obligation, dealing or other occurrence in any way in connection with the CCAA Proceedings, including: (i) any Claim that has been barred or extinguished pursuant to the terms of the Claims Procedure Order and/or the terms of the CCAA Plan; (ii) the CCAA Proceedings; (iii) the Chapter 15 Proceedings; (iv) the actions of the Court-Appointed Mediator as an officer of the CCAA Court carrying out his mandate as a neutral third party to mediate a global settlement in the Tobacco Companies' CCAA Proceedings; (v) the business and affairs of the Tobacco Companies whenever or however conducted; (vi) the administration and management of the Tobacco Companies whenever or however conducted; (vii) the allocation of the Global Settlement Amount and any distributions, payments, disbursements from the Global Settlement Amount, and/or (viii) any matter or transaction involving any of the Tobacco Companies occurring in or in connection with the CCAA Proceedings or the Chapter 15 Proceedings including the CCAA Plans, the development thereof, and any and all actions steps or transactions taken by the Court-Appointed Mediator to implement the CCAA Plans, and in each case, all Claims arising out of aforesaid actions or omissions above shall be forever waived and released to the fullest extent permitted by Applicable Law.

Nothing in this Release shall derogate from the protections afforded to the Court-Appointed Mediator as an officer of the CCAA Court and by the CCAA Plans, the CCAA, any other applicable legislation, including pursuant to Section 142 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, and any Orders made in the CCAA Proceedings or the Chapter 15 Proceedings, including the orders appointing the Court-Appointed Mediator. In particular, the Court-Appointed Mediator shall not be liable to any Party or participant in the mediation for any act or omission in connection with the mediation process and shall have the immunity of a Judge of a Superior Court in Canada. For greater certainty, the Court-Appointed Mediator shall not be responsible or liable for any obligations of the Tobacco Companies. The Court-Appointed Mediator's heirs, successors, assigns, representatives, advisors, legal counsel, consultants or agents shall not incur any personal liability whatsoever whether on their own part or in respect of any failure on the part of any

Tobacco Company to observe, perform or comply with any of its obligations under its CCAA Plan or any other Definitive Document.

18.1.6 Release of Administrative Coordinator

At the Effective Time, all Persons including the Released Parties, the Releasors and Affected Creditors (whether or not CCAA proofs of claim have been filed on their behalf), and the Unaffected Creditors, individually and collectively, shall be deemed to fully, finally, irrevocably and unconditionally release and forever discharge the Administrative Coordinator and his Representatives from any and all Claims whatsoever, which they have ever had, now have, or may hereafter have, against them, whether foreseen or unforeseen, whether matured or unmatured, or whether or not presently known to the Released Parties, Releasors, Affected Creditors and Unaffected Creditors arising from or out of in whole or in part any omission, transaction, duty, responsibility, liability, obligation, dealing or other occurrence, or in any way in connection with the CCAA Proceedings, including: (i) the CCAA Proceedings; (ii) the Chapter 15 Proceedings; (iii) the development of the PCC Compensation Plan and the development of the Quebec Administration Plan; and (iv) the actions of the Administrative Coordinator in connection with the administration of the PCC Compensation Plan and the administration of the Quebec Administration Plan, and in each case, all Claims arising out of aforesaid actions or omissions above shall be forever waived and released to the fullest extent permitted by Applicable Law.

Nothing in this Release shall derogate from the protections afforded to the Administrative Coordinator by the CCAA Plans, the CCAA, any other applicable legislation and any Orders made in the CCAA Proceedings or the Chapter 15 Proceedings. For greater certainty, the Administrative Coordinator shall not be responsible or liable for any obligations of the Tobacco Companies. None of the Administrative Coordinator's heirs, successors, assigns, Representatives, advisors, legal counsel, consultants or agents shall incur any personal liability whatsoever whether on their own part or in respect of any failure on the part of any Tobacco Company to observe, perform or comply with any of its obligations under its CCAA Plan or any other Definitive Document.

18.1.7 Indemnity of Monitors, CCAA Plan Administrators, Foreign Representative, Court-Appointed Mediator and Administrative Coordinator

Imperial shall indemnify and save harmless the Court-Appointed Mediator, the Monitors (FTI, EY and Deloitte) in their various capacities (including as the Monitors, the CCAA Plan Administrators, and Foreign Representative (as applicable)), the Administrative Coordinator and, as applicable, their respective Affiliates, shareholders, Affiliates' shareholders, directors, officers, employees, legal counsel, advisors, consultants, Representatives and agents (collectively, the "**Indemnified Parties**"), from and against all claims, demands, losses, actions, causes of action, costs, charges, expenses, damages and liabilities whatsoever, whether at law or in equity, in any way caused by or arising, directly or indirectly, in respect of any act, deed, matter or thing whatsoever made, done, acquiesced in or omitted in or about or in relation to the execution of each Indemnified Party's respective activities or duties in any way in connection with the CCAA Proceeding and the Chapter 15 Proceedings, including for the avoidance of doubt: (i) the actions of the Court-Appointed Mediator, the Monitors, the CCAA Plan Administrators and the Administrative Coordinator and their respective legal counsel and advisors in connection with the

CCAA Proceeding and the Chapter 15 Proceedings, (ii) the business and affairs of Imperial whenever or however conducted, and (iii) any matter or transaction involving Imperial occurring in or in connection with the CCAA Proceeding and the Chapter 15 Proceedings, the CCAA Plan, or the development thereof (other than enforcement of Indemnified Parties' obligations under the CCAA Plan and the Definitive Documents). This indemnity shall survive the resignation or removal of the Indemnified Parties from any role, capacity, engagement, office or position relevant to its activities or duties in connection with the CCAA Plan.

18.1.8 Injunctions

From and after the Effective Time, all Persons will be permanently and forever barred, estopped, stayed and enjoined from:

- (a) Commencing, conducting, continuing or making in any manner, directly or indirectly, any action, suit, claim, demand or other proceeding of any nature or kind whatsoever (including any proceeding in a judicial, arbitral, administrative or other forum) against any of the Released Parties, the Monitors, the CCAA Plan Administrators, the Court-Appointed Mediator and the Administrative Coordinator and their respective Representatives with respect to any and all Affected Claims and Released Claims;
- (b) Enforcing, levying, attaching, collecting or otherwise recovering or enforcing by any manner or means, directly or indirectly, any judgment, award, decree or order against any of the Released Parties, the Monitors, the CCAA Plan Administrators, the Court-Appointed Mediator and the Administrative Coordinator or their respective Representatives, or their respective property with respect to any and all Affected Claims and Released Claims;
- (c) Commencing, conducting, continuing or making against any other Person in any manner, directly or indirectly, any action, suit, claim, demand or other proceeding of any nature or kind whatsoever (including any proceeding in a judicial, arbitral, administrative or other forum) that relates to an Affected Claim or a Released Claim if such other Person makes a claim or might reasonably be expected to make a claim, in any manner or forum, including by way of contribution or indemnity or other relief, against one or more of the Released Parties, the Monitors, the CCAA Plan Administrators, the Court-Appointed Mediator and the Administrative Coordinator or their respective Representatives, unless such Claim of such other Person is itself an Affected Claim or a Released Claim;
- (d) Creating, perfecting, asserting or otherwise enforcing, directly or indirectly, any Encumbrance of any kind against the Released Parties, the Monitors, the CCAA Plan Administrators, the Court-Appointed Mediator and the Administrative Coordinator, their respective Representatives or any of their respective property with respect to any and all Affected Claims and Released Claims, except for the exclusions in Article 18, Section 18.1.9 in relation to obligations arising from the Definitive Documents; and
- (e) Taking any actions to interfere with the implementation or consummation of the CCAA Plan with respect to any and all Released Claims.

18.1.9 Released Parties' Fulfillment of Obligations pursuant to Definitive Documents

Notwithstanding any of the provisions herein, the Released Parties are not released from the due performance of their obligations arising from the Definitive Documents, and nothing in this Release shall prevent or restrict any of the Releasors or the CCAA Plan Administrators from pursuing any legal remedies against any of the Released Parties for non-performance of their obligations pursuant to the Definitive Documents, including the covenants of each Tobacco Company, its Parent and the relevant Affiliates within its Tobacco Company Group.

18.1.10 Releases are Final and Binding

The releases and injunctions in favour of the Released Parties, the Monitors, the CCAA Plan Administrators, the Court-Appointed Mediator and the Administrative Coordinator and their respective Representatives shall be final and binding on all the Releasors, Released Parties, Affected Creditors and Unaffected Creditors (except to the extent of their Unaffected Claims) as applicable, including any Claims resulting, directly or indirectly, from the consequences and effects relating to the acceptance of the CCAA Plan, the sanction thereof by the CCAA Court, or its implementation. The aforesaid final and binding effect of the CCAA Plan on the Releasors, Released Parties, Affected Creditors and Unaffected Creditors (except to the extent of their Unaffected Claims) shall operate for all legal purposes as and from the Effective Time.

18.1.11 CCAA Meeting Orders and Sanction Orders

To facilitate the provision of the releases and the granting of the injunctions in favour of the Released Parties, Monitors, the CCAA Plan Administrators, the Court-Appointed Mediator and the Administrative Coordinator:

- (a) Pursuant to the Orders governing the conduct of the Meeting of the Affected Creditors to consider and vote on the CCAA Plan:
 - (i) Quebec Class Counsel will be appointed to act as proxy and vote on behalf of the Quebec Class Action Plaintiffs in respect of the CCAA Plan;
 - (ii) PCC Representative Counsel will be appointed to act as proxy and vote on behalf of the Pan-Canadian Claimants in respect of the CCAA Plan;
 - (iii) *Knight* Class Counsel will be appointed to act as proxy and vote on behalf of the *Knight* Class Action Plaintiffs in respect of the CCAA Plan; and
 - (iv) Counsel for the Tobacco Producers will be appointed to act as proxy and vote on behalf of the Tobacco Producers in respect of the CCAA Plan; and
- (b) The Sanction Order will:
 - (i) Authorize Quebec Class Counsel, PCC Representative Counsel, *Knight* Class Counsel and Counsel for the Tobacco Producers to execute and deliver the Claimant Contractual Release on behalf of the Quebec Class Action Plaintiffs, the Pan-

Canadian Claimants, the *Knight* Class Action Plaintiffs, and the Tobacco Producers and Ontario Flue-Cured Tobacco Growers' Marketing Board, respectively;

- (ii) Confirm that each of (A) the affirmative vote in respect of the CCAA Plan and (B) the signing of the Claimant Contractual Release, by or on behalf of each Claimant, shall be evidence of the consent of the Claimant to the treatment of its Claims for the purposes of Section 5.1(2) and/or Section 19(2) of the CCAA to the extent that they apply; and
- (iii) Order that no action, proceeding or enforcement process in any court or tribunal may be commenced or continued against (A) any Released Party, the Monitor, the CCAA Plan Administrator, the Court-Appointed Mediator, the Administrative Coordinator, or (B) any Person who claims or might reasonably be expected to claim in any manner or forum against any Released Party, the Monitor, the CCAA Plan Administrator, the Court-Appointed Mediator, or the Administrative Coordinator, in respect of the Affected Claims and Released Claims without the prior written consent of the Released Party, the Monitor, the CCAA Plan Administrator, the Court-Appointed Mediators, the Administrative Coordinator, as applicable, or leave of the CCAA Court obtained on notice to the Released Party, the Monitor, the CCAA Plan Administrator, the Court-Appointed Mediators and the Administrative Coordinator (as applicable), and the Tobacco Companies, including appropriate injunctive language with respect to same.

18.1.12 Future Legislation

The Released Parties and the Provinces and Territories recognize that a legislature's sovereign power to enact, amend and repeal legislation cannot be fettered. However, in the event that any legislation (including any regulations promulgated thereunder) similar or analogous to the HCCR Legislation may be enacted or amended by a Province or Territory at any time after the Effective Time, the Released Parties and the Provinces and Territories are *ad idem* that the enactment of such future legislation shall not render unenforceable or otherwise make ineffective any of the terms of the Claimants Contractual Release or of this Article 18.

18.2 Treatment of Miscellaneous Claims

18.2.1 Miscellaneous Claims Fund

From the Upfront Contributions deposited into the Global Settlement Trust Account, the one-time aggregate sum of **\$25.0 million** ("**Miscellaneous Claims Amount**") shall be transferred to and deposited into a segregated interest-bearing trust account held in the Bank ("**Miscellaneous Claims Fund**"). The Miscellaneous Claims Amount, and interest accrued thereon, shall be held in the Miscellaneous Claims Fund for a period of three years from the Effective Time ("**Miscellaneous Claims Fund Period**").

18.2.2 Determination of Miscellaneous Claims

The determination of all Miscellaneous Claims shall be governed by this Section 18.2 and the Claims Procedure Order, the Meeting Order and any other further Order of the CCAA Court, as

applicable. A Putative Miscellaneous Claimant shall not be permitted to commence a proceeding in any other forum except the CCAA Court with leave and, if any such proceeding is commenced, it shall be a nullity.

18.2.3 Leave required from CCAA Court to bring a Miscellaneous Claim Proceeding

Except for (i) an application for leave to commence a proceeding brought in the CCAA Court pursuant to this Section, and (ii) any subsequent proceeding commenced with leave of the CCAA Court, any proceeding commenced in any court relating to a Miscellaneous Claim shall be a nullity.

A Putative Miscellaneous Claimant shall bring an application to the CCAA Court seeking leave to commence a proceeding relating to the Miscellaneous Claim.

On the application for leave, the Putative Miscellaneous Claimant shall serve on Imperial and file with the CCAA Court:

- (a) An affidavit setting out a concise statement of the material facts upon which the Putative Miscellaneous Claimant intends to rely; and
- (b) An affidavit of documents disclosing, to the full extent of the Putative Miscellaneous Claimant's knowledge, information and belief, all documents relevant to any matter in issue in the proceeding relating to the Miscellaneous Claim that are or have been in the Putative Miscellaneous Claimant's possession, control or power.

On the application for leave, Imperial may serve on the Putative Miscellaneous Claimant and file an affidavit setting out a concise statement of the material facts on which Imperial intends to rely for the defence of the Miscellaneous Claim, but is not required to do so.

The CCAA Court shall not grant leave unless it finds that:

- (a) The application for leave has been brought before the CCAA Court either prior to or no later than two years after the issuance of the Sanction Order;
- (b) The Miscellaneous Claim was not fully, finally, irrevocably and unconditionally released and forever discharged, and permanently barred and enjoined pursuant to the terms of the CCAA Plan, Claims Procedure Order, Sanction Order, the Claimant Contractual Release and/or any other orders made in the CCAA Proceeding;
- (c) The Miscellaneous Claim is being brought in good faith; and
- (d) There is a reasonable possibility that the Miscellaneous Claim will be resolved in the Putative Miscellaneous Claimant's favour.

The Putative Miscellaneous Claimant shall bear the onus of establishing that leave should be granted.

If leave is granted, the CCAA Court shall have exclusive jurisdiction to adjudicate and determine the proceeding relating to the Miscellaneous Claim on its merits. Notwithstanding the foregoing, the CCAA Court in its discretion may decide how the Miscellaneous Claim will be heard and determined.

Either the Putative Miscellaneous Claimant or Imperial may appeal from the decision of the CCAA Court on the application for leave or, if leave is granted, from any order or decision of the CCAA Court made in the proceeding relating to the Miscellaneous Claim, in accordance with Sections 13, 14 and 15 of the CCAA.

Both the Putative Miscellaneous Claimant and Imperial shall bear their own costs of the application for leave and any appeal from the decision of the CCAA Court on the application for leave.

If by final decision of the CCAA Court leave is not granted, and any appeal from such decision is dismissed, the Putative Miscellaneous Claimant shall be permanently and forever barred, estopped, stayed and enjoined from commencing any proceeding in any court relating to or arising from the Miscellaneous Claim.

18.2.4 Payment from Miscellaneous Claims Fund

Any judgments or awards made, or other amounts ordered to be paid in regard to Miscellaneous Claims shall be paid solely from the Miscellaneous Claims Fund.

18.2.5 Distribution of any Residual Monies from Miscellaneous Claims Fund

After the expiry of the Miscellaneous Claims Fund Period, to the extent that there remains any residual funds in the Miscellaneous Claims Fund after the payment of all judgments, awards and any other amounts ordered to be paid in regard to proven Miscellaneous Claims, any such residual funds shall be apportioned among the Provinces and Territories in accordance with the percentages set out in the table in Article 16, Section 16.3.

18.2.6 Sole Recourse for Miscellaneous Claims

All Putative Miscellaneous Claimants shall only have recourse to the Miscellaneous Claims Fund in regard to any Miscellaneous Claims and shall have no recourse in relation to any Miscellaneous Claims as against the Released Parties, the Claimants or their Representatives, or any other funds paid, held or administered pursuant to the CCAA Plan and all other Definitive Documents.

18.3 Disposition of Pending Proceedings

18.3.1 Termination of Pending Litigation other than Quebec Class Actions

As soon as possible after the Plan Implementation Date, the Parties shall take all steps and actions that are necessary and appropriate to dismiss with prejudice and without costs to any party or counsel the following proceedings pending in courts in the Provinces and Territories against the

Tobacco Companies, certain members of their respective Tobacco Company Groups and the Canadian Tobacco Manufacturers' Council ("**Pending Litigation**"):

- (a) The actions which the Provinces commenced pursuant to the HCCR Legislation claiming the recovery of expenditures for Health Care Benefits provided for Insured Persons resulting from Tobacco-related Disease or the risk of Tobacco-related Disease caused by the Tobacco Companies' tobacco-related wrongs, including any related motions, applications, leave applications or appeals, that are listed in Schedule "U" to the CCAA Plan;
- (b) The *Knight* Class Action;
- (c) The actions commenced by Individuals under the class proceedings legislation in British Columbia (other than the *Knight* Class Action), Alberta, Saskatchewan, Manitoba, Ontario, Nova Scotia, and Newfoundland and Labrador, that are listed in Schedule "V" to the CCAA Plan;
- (d) The Tobacco Producers' Actions; and
- (e) Any action, other than the Quebec Class Actions, regardless of whether the statement of claim was served, commenced by Individuals in Ontario, Quebec and Nova Scotia, or any other Province or Territory relating to Tobacco Claims or the subject matter of the CCAA Plan, that are listed in Schedule "W" to the CCAA Plan.

Imperial and the Claimants shall consent to the inclusion of orders in the Sanction Order providing that:

- (a) Effective from Plan Implementation Date, all parties to the Pending Litigation, including each plaintiff, class representative, class member and defendant therein, shall be deemed to have given all consents necessary to effect the termination with prejudice and without costs of the Pending Litigation,
- (b) The Sanction Order shall have full force and effect in all Provinces and Territories, the United States and elsewhere, and as against all Persons against whom it may apply; and
- (c) Each applicable court in the Provinces and Territories in which the Pending Litigation was commenced is requested to:
 - (i) Aid, recognize and assist the CCAA Court to confirm that, effective as and from the Plan Implementation Date, the CCAA Plan has fully and finally resolved and definitively settled the Pending Litigation,
 - (ii) Provide such assistance to Imperial and its CCAA Plan Administrator, as an officer of the CCAA Court, as may be necessary or desirable to give effect to the Sanction Order or to assist Imperial and its CCAA Plan Administrator in carrying out the terms of the Sanction Order and CCAA Plan, and

- (iii) Issue such orders as may be necessary to terminate all of the Pending Litigation by a with prejudice dismissal without costs. Such dismissals shall be effected by the filing of the appropriate documents with each applicable court in each jurisdiction.

18.3.2 Disposition of Quebec Class Actions

As soon as possible after the Plan Implementation Date, Imperial and the QCAPs shall take all steps and actions that are necessary and appropriate to, if applicable, dismiss with prejudice and without costs to any party or counsel any leave applications or appeals from the judgments in the Quebec Class Actions or any related motions pending in the Quebec Superior Court, the Court of Appeal of Quebec and/or the Supreme Court of Canada.

After the QCAP Claims Process has ended and the Eligible *Blais* Class Members have been paid their Compensation Payments, Imperial and the QCAPs shall consent to motions seeking the Closing Judgment to be brought in the Quebec Superior Court by the Quebec Class Counsel in the *Blais* Class Action and the *Létourneau* Class Action.

Imperial and the QCAPs shall consent to the inclusion in the Sanction Order of orders providing that:

- (a) The *Blais* Judgment and the *Létourneau* Judgment are fully and finally satisfied, resolved, compromised and settled;
- (b) The Sanction Order shall have full force and effect in Quebec as against all Persons against whom it may apply; and
- (c) The Quebec Superior Court is requested to:
 - (i) Aid, recognize and assist the CCAA Court to confirm that, effective as and from the Plan Implementation Date, the CCAA Plan has fully and finally resolved and definitively settled the Quebec Class Actions;
 - (ii) Provide such assistance to Imperial and the CCAA Plan Administrator, as an officer of the CCAA Court, as may be necessary or desirable to give effect to the Sanction Order or to assist Imperial and its CCAA Plan Administrator in carrying out the terms of the CCAA Plan Sanction Order and the CCAA Plan; and
 - (iii) Upon the completion of the QCAP Claims Process and the payment of Compensation Payments thereunder, issue such orders, including the Closing Judgment, as may be necessary to terminate with prejudice and without costs the Quebec Class Actions.

ARTICLE 19. COURT SANCTION, CONDITIONS PRECEDENT AND CCAA PLAN IMPLEMENTATION

19.1 Application for Sanction Order

If the CCAA Plan is approved by the Required Majority of the Affected Creditor Class at the Meeting, the Court-Appointed Mediator and the Monitor shall apply for the Sanction Order on or before the date set for the Sanction Order hearing or such later date as the CCAA Court may set.

19.2 Sanction Order

The Court-Appointed Mediator and the Monitor will apply for a Sanction Order that shall, among other things:

- (a) Order that: (i) the CCAA Plan has been approved by the Required Majority of the Affected Creditor Class in conformity with the CCAA; (ii) the activities of Imperial and the Monitor have been in compliance with the provisions of the CCAA and the Orders of the CCAA Court made in this CCAA Proceeding in all respects; (iii) neither Imperial nor the Monitor has done or purported to do anything that is not authorized by the CCAA; and (iv) the CCAA Plan and the transactions contemplated thereby are fair and reasonable;
- (b) Order that the CCAA Plan and all associated steps, compromises, transactions, arrangements, releases and reorganizations effected thereby are sanctioned and approved, and at the Effective Time will be binding and effective upon and with respect to Imperial, all Affected Creditors, the Released Parties and all other Persons named or referred to in, or subject to, the CCAA Plan or the Sanction Order;
- (c) Confirm that the CCAA Court is satisfied that: (i) the hearing regarding the Sanction Hearing was open to all of the Affected Creditors and all other Persons, including Putative Miscellaneous Claimants, with an interest in Imperial and that such Affected Creditors and other Persons were permitted to be heard at the Sanction Hearing; and (ii) all of the Affected Creditors and all other Persons on the Common Service List were given adequate notice thereof;
- (d) Approve and authorize the Restructuring Steps;
- (e) Approve the Quebec Administration Plan;
- (f) Approve the PCC Compensation Plan;
- (g) Approve the appointment of the Monitor as the CCAA Plan Administrator as set out in the CCAA Plan Administrators Order;
- (h) Approve the appointment of the Court-Appointed Mediator to provide services with respect to the implementation of the CCAA Plan and perform such other functions as may be requested by the CCAA Plan Administrator or the CCAA Court;
- (i) Approve the appointment of Epiq as the Claims Administrator;

- (j) Approve the appointment of Daniel Shapiro, K.C. as the Administrative Coordinator;
- (k) Approve the appointment of Dr. Robert Bell as the Chair of the Cy-près Foundation;
- (l) Order that any Affected Claim for which a Miscellaneous Claimant Proof of Claim or Notice of Dispute of Negative Notice Claim has not been filed by the Miscellaneous Claims Bar Date or the Negative Notice Bar Date, as applicable, in accordance with the Claims Procedure Order is forever barred and extinguished, and (ii) all such Affected Claims are released and discharged;
- (m) Order that, on a date to be agreed between Imperial and the CCAA Plan Administrators, the Alternative Product Business transferred by Imperial to Newco vests absolutely in NewCo in accordance with Article 4, Section 4.1 of the CCAA Plan;
- (n) Order that, as of the Effective Time, any and all Released Claims are and are deemed to be fully, finally, irrevocably and forever compromised, released, discharged and barred, and the ability of any Person to proceed against any of the Released Parties in respect of or relating to any Released Claims, whether directly, indirectly, derivatively or otherwise is forever barred, estopped, stayed and enjoined, and all proceedings with respect to, in connection with or relating to such Released Claims are permanently stayed, subject only to the right of the Affected Creditors to receive distributions pursuant to the CCAA Plan in respect of their Affected Claims and to exercise their rights under the CCAA Plan;
- (o) Order that, as of the Effective Time, no action, proceeding or enforcement process in any court or tribunal may be commenced or continued against any Released Party, or any Person who claims or might reasonably be expected to claim in any manner or forum against any Released Party, in respect of the Released Claims without the prior written consent of the Released Party or leave of the CCAA Court obtained on notice to the Released Party and the Tobacco Companies, including appropriate injunctive language with respect to same;
- (p) Authorize and approve the releases and injunctions set forth in Article 18, Sections 18.1.1 to 18.1.10 herein and order that such releases and injunctions shall become effective at the Effective Time;
- (q) Authorize Quebec Class Counsel, PCC Representative Counsel, Knight Class Counsel and Counsel for the Tobacco Producers to execute and deliver the Claimant Contractual Release on behalf of the Quebec Class Action Plaintiffs, the Pan-Canadian Claimants, the Knight Class Action Plaintiffs, and the Tobacco Producers and Ontario Flue-Cured Tobacco Growers' Marketing Board, respectively;
- (r) Confirm that each of (i) the affirmative vote in respect of the CCAA Plan and (ii) the signing of the Claimant Contractual Release, by or on behalf of each Claimant, shall be evidence of the consent of the Claimant to the treatment of its Claims for the purposes of Section 5.1(2) and/or Section 19(2) of the CCAA to the extent that they apply;
- (s) Grant the Monitor, in addition to its rights and obligation under the CCAA, the powers, duties and protections contemplated by and required under the CCAA Plan and authorize

and direct the Monitor to perform its duties and fulfil its obligations under the CCAA Plan as the CCAA Plan Administrator for Imperial to facilitate the implementation of the CCAA Plan;

- (t) Authorize Imperial and FTI, in its capacity as the Monitor, the Foreign Representative, or the CCAA Plan Administrator, to take all steps and actions, and to do all things, necessary or appropriate to implement the CCAA Plan in accordance with and subject to its terms and conditions, and to enter into, execute, deliver, complete, implement and consummate all of the steps, transactions, distributions, payments, deliveries, allocation, instruments and agreements contemplated by, and subject to the terms and conditions of, the CCAA Plan;
- (u) Order that in no circumstance will the Monitor have any liability for any of Imperial's tax or other liabilities regardless of how or when such liability may have arisen;
- (v) Approve the form of the Monitor's Plan Implementation Date Certificate, and order that the Monitor, in its capacity as Monitor, following the fulfilment or waiver of the conditions precedent to implementation of the CCAA Plan as set out in Article 19, Sections 19.3 and 19.5 of the CCAA Plan, shall deliver the Monitor's Plan Implementation Date Certificate to Imperial and serve a copy thereof on the Common Service List;
- (w) Order that upon completion by FTI of its duties as the Monitor and the CCAA Plan Administrator in respect of Imperial pursuant to the CCAA and any Order of the CCAA Court made in connection with the CCAA Proceeding or the CCAA Plan, FTI may file with the CCAA Court a certificate ("**Certificate of Plan Completion**") stating that all of its duties in respect of Imperial pursuant to the CCAA, the CCAA Plan and any Orders of the CCAA Court in respect thereof, have been completed and thereupon, FTI shall be deemed to be discharged from its duties as the Monitor and as the CCAA Plan Administrator and released of all claims relating to its activities as the Monitor and as the CCAA Plan Administrator;
- (x) Approve the form of the Certificate of Plan Completion, and order that FTI, in its capacities as the Monitor and the CCAA Plan Administrator has completed its duties to fully and finally effect all distributions, disbursements and payments in accordance with the CCAA Plan, shall file the Certificate of Plan Completion with the CCAA Court;
- (y) Order that, in carrying out the terms of the Sanction Order and the CCAA Plan, (i) FTI, in its capacities as the Monitor and the CCAA Plan Administrator, shall benefit from all the protections given to it by the CCAA, the Initial Order and any other Order in the CCAA Proceeding, and as an officer of the CCAA Court, (ii) FTI shall incur no liability or obligation as a result of carrying out the provisions of the Sanction Order and/or CCAA Plan, and (iii) FTI shall be entitled to rely on the books and records of Imperial and any information provided by Imperial without independent investigation and shall not be liable for any claims or damages resulting from any errors or omissions in such books, records or information;
- (z) Order that each Putative Miscellaneous Claimant will be limited to recovering from the Miscellaneous Claims Fund in respect of all Miscellaneous Claims in accordance with the

CCAA Plan and any other Definitive Documents, and such Putative Miscellaneous Claimant will have no right to and shall not make any claim against or seek any recovery from any Released Party in respect of such Miscellaneous Claim;

- (aa) Order that each of the Sales and Excise Tax Charge and Directors' Charge will be terminated, discharged, expunged and released at the applicable time set out in the Sanction Order upon receipt by Imperial of an acknowledgement of payment in full and in the appropriate currency of the claims secured thereby;
- (bb) Approve the CCAA Plan Administration Reserve;
- (cc) Approve the PCC Compensation Plan Reserve;
- (dd) Order that, notwithstanding: (i) the pendency of the CCAA Proceeding or the Chapter 15 Proceedings; (ii) any applications for a bankruptcy, receivership or other order now or hereafter issued pursuant to the BIA, the CCAA, the US Bankruptcy Code or otherwise in respect of Imperial and any bankruptcy, receivership or other order issued pursuant to any such applications; and (iii) any assignment in bankruptcy made or deemed to be made in respect of Imperial, the transactions contemplated by the CCAA Plan shall be binding on any trustee in bankruptcy or receiver that may be appointed in respect Imperial or its assets and shall not be void or voidable by creditors of Imperial, nor shall the CCAA Plan or the payments and distributions contemplated pursuant thereto constitute nor be deemed to constitute a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the BIA, CCAA or any other applicable federal or provincial legislation, nor shall the CCAA Plan constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation;
- (ee) Order that, subject to the performance by Imperial of its obligations under the CCAA Plan, all obligations, contracts, leases, agreements and other arrangements to which (i) Imperial is a party at the Effective Time or (ii) Newco becomes a party on a date to be agreed between Imperial and the CCAA Plan Administrators as a result of the transfer of the Alternative Products Business to Newco in accordance with the terms of Article 4, Section 4.1, and that have not been terminated or disclaimed pursuant to the applicable paragraph of the Initial Order and related provision of the CCAA will be and remain in full force and effect, unamended as of the Effective Time, and no Person who is a party to any such obligation, contract, lease, agreement or other arrangement shall at or following the Effective Time accelerate, terminate, refuse to renew, rescind, refuse to perform or otherwise repudiate its obligations thereunder, or enforce or exercise (or purport to enforce or exercise) any right or remedy (including any right of set-off, dilution or other remedy) or make any demand under or in respect of any such arrangement and no automatic termination will have any validity or effect, by reason of:
 - (i) any event that occurred at or prior to the Effective Time and is not continuing thereafter, or which is or continues to be suspended or waived under the CCAA Plan, that would have entitled such Person to enforce those rights or remedies (including defaults or events or default arising as a result of the insolvency of Imperial);

- (ii) the insolvency of Imperial or the fact that Imperial sought or obtained relief under the CCAA or the US Bankruptcy Code;
 - (iii) any compromises or arrangements effected pursuant to the CCAA Plan, or any action taken or transaction effected pursuant to the CCAA Plan; or
 - (iv) the fact that Imperial has sought or obtained relief or taken steps as part of the CCAA Proceedings or the Chapter 15 Proceedings.
- (ff) Approve all conduct of the Directors of Imperial during the CCAA Proceeding and the Chapter 15 Proceedings;
- (gg) Approve all conduct of the Monitor and the Monitor's Representatives in relation to Imperial and its Tobacco Company Group and bar all claims against them arising from or relating to the services provided to Imperial and its Tobacco Company Group up to and including the date of the Sanction Order;
- (hh) Order that, in regard to the services that it provides after the date of the Sanction Order, FTI, whether in its capacity as the Monitor, the CCAA Plan Administrator and/or the Foreign Representative, shall have the benefit of all the protections afforded to the Monitors as officers of the CCAA Court and by the CCAA Plans, the CCAA, any other applicable legislation and any Orders made in the CCAA Proceedings or the Chapter 15 Proceedings. For greater certainty, FTI, whether in its capacity as the Monitor, the CCAA Plan Administrator and/or the Foreign Representative, shall not be responsible or liable for any obligations of the Tobacco Companies. None of the Monitor or its respective Affiliates, shareholders, Affiliates' shareholders, employees, advisors, legal counsel, representatives or agents shall incur any personal liability whatsoever whether on their own part or in respect of any failure on the part of any Tobacco Company to observe, perform or comply with any of its obligations under its CCAA Plan or any other Definitive Document;
- (ii) Approve all conduct of the Court-Appointed Mediator and the Court-Appointed Mediator's Representatives in relation to Imperial and its Tobacco Company Group and bar all claims against them arising from or relating to the services provided during the pendency of the Court-supervised mediation up to and including the date of the Sanction Order;
- (jj) Order that in the event that the Court-Appointed Mediator provides any services after the date of the Sanction Order, as requested by either the CCAA Plan Administrators or the CCAA Court, and approved by the CCAA Court, the Court-Appointed Mediator shall have the benefit of all the protections afforded to the Court-Appointed Mediator as an officer of the CCAA Court and by the CCAA Plans, the CCAA, any other applicable legislation, including pursuant to Section 142 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, and any Orders made in the CCAA Proceedings, including the orders appointing the Court-Appointed Mediator. In particular, the Court-Appointed Mediator shall not be liable to any Party, participant in the mediation, or any other Person, for any act or omission in connection with the mediation process and/or in connection with any services provided after date of the Sanction Order, and shall have the immunity of a Judge of a Superior Court in Canada. For greater certainty, the Court-Appointed Mediator shall not be responsible

or liable for any obligations of the Tobacco Companies. None of the Court-Appointed Mediator's heirs, successors, assigns, representatives, advisors, legal counsel, consultants or agents shall incur any personal liability whatsoever whether on their own part or in respect of any failure on the part of any Tobacco Company to observe, perform or comply with any of its obligations under its CCAA Plan or any other Definitive Document;

- (kk) Order that, in regard to the services that the Administrative Coordinator provides after the date of the Sanction Order, the Administrative Coordinator shall have the benefit of all the protections afforded to him as an officer of the CCAA Court and by the CCAA Plans, the CCAA, any other applicable legislation and any Orders made in the CCAA Proceedings. For greater certainty, the Administrative Coordinator shall not be responsible or liable for any obligations of the Tobacco Companies. None of the Administrative Coordinator's heirs, successors, assigns, representatives, advisors, legal counsel, consultants or agents shall incur any personal liability whatsoever whether on their own part or in respect of any failure on the part of any Tobacco Company to observe, perform or comply with any of its obligations under its CCAA Plan or any other Definitive Document;
- (ll) Authorize Imperial to seek an order of any court of competent jurisdiction to recognize the CCAA Plan and the Sanction Order and to confirm the CCAA Plan and the Sanction Order as binding and effective in any appropriate foreign jurisdiction, including in the Chapter 15 Proceedings;
- (mm) Order that any obligation of Imperial to provide financial reporting pursuant to any Order or agreement shall cease at the Effective Time and be replaced with the obligations set forth in Article 10, Section 10.1 to Section 10.10 of the CCAA Plan;
- (nn) Order that the CCAA stay of proceedings provided for in the Initial Order shall be extended until the Effective Time; and
- (oo) Order that Imperial, the Court-Appointed Mediator or FTI, whether in its capacity as the Monitor, the CCAA Plan Administrator and/or the Foreign Representative, may apply to the CCAA Court for advice and direction in respect of any matters arising from or in relation to the CCAA Plan.

19.3 Conditions Precedent to Implementation of CCAA Plan

The implementation of the CCAA Plan shall be conditional upon the satisfaction, prior to or at the Effective Time, of the following conditions precedent ("**Plan Implementation Conditions**"):

- (a) The CCAA Plan will have been approved by the Required Majority of the Affected Creditors at the Meeting;
- (b) The CCAA Plans of RBH and JTIM will have been approved by the Required Majority of the Affected Creditors of RBH and JTIM at the Meetings in respect of the CCAA Plans of RBH and JTIM;
- (c) The Sanction Order will have been granted by the CCAA Court, consistent with the terms of Article 19, Section 19.2 herein, and will have become a final Order;

- (d) The Sanction Orders in respect of the CCAA Plans of RBH and JTIM will have been granted by the CCAA Court and will have become final Orders;
- (e) All applicable appeal periods in respect of the Sanction Order will have expired and any appeals or motions for leave to appeal therefrom will have been finally disposed of by the applicable appellate court;
- (f) The Sanction Recognition Order shall have been entered by the US Bankruptcy Court and will have become a final Order;
- (g) The Plan Implementation Date will have occurred by no later than a date to be set by the Court-Appointed Mediator and the Monitors, unless otherwise ordered by the CCAA Court;
- (h) The Effective Time of the CCAA Plans of RBH and JTIM shall become effective at the same time or immediately prior or immediately subsequent to the Effective Time of the CCAA Plan;
- (i) The with prejudice dismissal of all Pending Litigation will have occurred by no later than a date to be set by the Court-Appointed Mediator and the Monitors, unless otherwise ordered by the CCAA Court;
- (j) The CCAA Plan Administrators will have established the Global Settlement Trust Account, the PCC Trust Account, the Cy-près Trust Account and the QCAP Trust Account;
- (k) Imperial shall have deposited its share of the Upfront Contributions into the Global Settlement Trust Account;
- (l) The amount of \$25.0 million in respect of the CCAA Plan of each Tobacco Company shall have been paid out of the Upfront Contributions and deposited into the CCAA Plan Administration Reserve Account to establish the CCAA Plan Administration Reserve;
- (m) The amount of \$5.0 million shall have been paid out of the Upfront Contributions and deposited into the PCC Compensation Plan Reserve Account to establish the PCC Compensation Plan Reserve;
- (n) Imperial's and RBH's Cash Security Deposit will have been released from suretyship and deposited into the Global Settlement Trust Account;
- (o) All relevant Persons will have executed, delivered and filed all documents and other instruments that, in the opinion of the Court-Appointed Mediator and the Monitor, acting reasonably, are necessary to implement the provisions of the CCAA Plan and the Sanction Order, including the Contribution Security Agreement and the Deed of Moveable Hypothec;
- (p) The Claimant Contractual Release will have been executed, delivered and become effective in accordance with its terms, subject only to the occurrence of the Plan Implementation

Date, on terms satisfactory to each Claimant, to the extent that Imperial and such Claimant are parties receiving or giving the applicable releases;

- (q) No action or proceeding will be pending by any third party to enjoin or prohibit the implementation of the CCAA Plan and the transactions contemplated by the CCAA Plan;
- (r) There shall not exist or have occurred any Material Adverse Effect upon Imperial;
- (s) Except as expressly set out in the CCAA Plan, Imperial shall not have (i) issued or authorized the issuance of any shares, notes, options, warrants or other securities of any kind, (ii) become subject to any Encumbrance with respect to its assets or property, (iii) acquired any assets or become liable to pay any Indebtedness or liability of any kind (other than as expressly set out in the CCAA Plan), or (iv) entered into any agreement for any of the foregoing; and
- (t) All applicable approvals and orders of, and all applicable submissions and filings with, Governmental Authorities having jurisdiction for the completion of the steps and transactions contemplated by the CCAA Plan (including the steps and transactions which are Plan Implementation Conditions) will have been obtained or made, as the case may be, in each case to the extent deemed necessary or advisable by the Court-Appointed Mediator and the Monitor, in form and substance satisfactory to the Court-Appointed Mediator and the Monitor.

Except in the case of Article 19, Sections 19.3 (a), (b), (c), (d), (f) and (h) which may not be waived, the Plan Implementation Conditions may be waived in whole or in part only with the consent, in writing, of the Court-Appointed Mediator and the Monitor provided that the waiver relates to matters of a non-material nature. In the event that the Court-Appointed Mediator and the Monitor seek to waive any material Plan Implementation Conditions, they shall provide notice to the Impacted Claimants and the Tobacco Company and will bring the issue before the CCAA Court for determination. In respect of Article 19, Section 19.2(p), the obligation of the Claimants to execute the Claimant Contractual Release cannot be waived without Imperial's consent.

19.4 Monitor's Certificate – Plan Implementation

As soon as practicable following fulfilment of the Plan Implementation Conditions, the Monitor shall deliver to Imperial, serve on the Common Service List, post on the Monitor's website and file with the CCAA Court a certificate confirming that the Plan Implementation Date has occurred ("**Plan Implementation Date Certificate**").

ARTICLE 20. GENERAL

20.1 Binding Effect

At the Effective Time, the CCAA Plan will become effective and binding on and enure to the benefit of the Released Parties and any other Person named or referred to in or subject to the CCAA Plan and their Representatives. Without limiting the generality of the foregoing, at the Effective time:

- (a) The treatment of Affected Claims, Released Claims and Miscellaneous Claims under the CCAA Plan will be final and binding for all purposes and enure to the benefit of the Released Parties, the Affected Creditors and all other Persons named or referred to in or subject to the CCAA Plan and their Representatives;
- (b) All Affected Claims shall be and shall be deemed to be forever compromised, released, discharged and barred, excepting only the obligations to make distributions in respect of such Affected Claims in the manner and to the extent provided for in the CCAA Plan;
- (c) All Released Claims will be forever discharged, released, enjoined and barred;
- (d) Each Affected Creditor and each Person holding a Released Claim or Miscellaneous Claim and all other Persons named or referred to in or subject to the CCAA Plan will be deemed to have:
 - (i) Consented and agreed to all of the provisions of the CCAA Plan in its entirety,
 - (ii) Executed and delivered to Imperial and to the other Released Parties, as applicable, all consents, releases, directions, assignments and waivers, statutory or otherwise, required to implement and carry out the CCAA Plan in its entirety,
 - (iii) Waived any default by or rescinded any demand for payment against Imperial that has occurred on or prior to the Effective Time pursuant to, based on, or as a result of any provision, express or implied, in any agreement or other arrangement, written or oral, existing between such Affected Creditor, Person or Putative Miscellaneous Claimant and Imperial with respect to an Affected Claim, Released Claim or Miscellaneous Claim (as the case may be), and
 - (iv) Agreed that, if there is any conflict between the provisions, express or implied, of any agreement or other arrangement, written or oral, existing as at the moment before the Effective Time between an Affected Creditor or a Person holding a Released Claim or Miscellaneous Claim and Imperial with respect to an Affected Claim, Released Claim or Miscellaneous Claim (as the case may be) and the provisions of the CCAA Plan, then the provisions of the CCAA Plan take precedence and priority and the provisions of such agreement or other arrangement are amended accordingly; and
- (e) Each Person named or referred to in, or subject to, the CCAA Plan shall be deemed to have received from the Released Parties, all statements, notices, declarations and notifications, statutory or otherwise, required to implement and carry out the CCAA Plan in its entirety.

20.2 Deeming Provisions

In the CCAA Plan, the deeming provisions are not rebuttable and are conclusive and irrevocable.

20.3 Interest and Fees

Interest shall not accrue or be paid on Affected Claims after the Filing Date, and no holder of an Affected Claim, Released Claim or Miscellaneous Claim shall be entitled to interest accruing nor to fees and expenses incurred in respect of an Affected Claim, Released Claim or Miscellaneous Claim on or after the Filing Date, and any Claim in respect of interest accruing or fees and expenses incurred on or after the Filing Date shall be deemed to be forever extinguished and released.

20.4 Modification of the CCAA Plan

- (a) The Court-Appointed Mediator and the Monitor reserve the right, at any time and from time to time (including prior to, at or following the Meeting), to amend, restate, modify and/or supplement the CCAA Plan, provided that any such amendment, restatement, modification or supplement is contained in a notice which is filed with the CCAA Court and posted on the Monitor's website and,
 - (i) If made prior to the Meeting Order, such amendment, restatement, modification or supplement is communicated to the Affected Creditors and Imperial; or
 - (ii) If made following the Meeting Order, such amendment, restatement, modification or supplement shall be subject to approval by the CCAA Court following notice to the Affected Creditors and Imperial.
- (b) Notwithstanding Article 20, Section 20.5(a), any amendment, restatement, modification or supplement to the CCAA Plan may be made by the Court-Appointed Mediator and the Monitor, at any time and from time to time, provided that it: (i) concerns a matter which is of an administrative nature required to better give effect to the implementation of the CCAA Plan; or (ii) is to cure any errors, omissions or ambiguities, and in either case is not materially adverse to the financial or economic interests of the Affected Creditors or the Unaffected Creditors.
- (c) Any amended, restated, modified or supplementary CCAA Plan filed with the CCAA Court and, if required by this Section, approved by the CCAA Court, will for all purposes be and be deemed to be a part of and incorporated in the CCAA Plan.

20.5 Paramountcy

From and after the Effective Time, any conflict between any of:

- (a) The CCAA Plan;
- (b) The Sanction Order; and/or
- (c) The covenants, warranties, representations, terms, conditions, provisions or obligations, express or implied, of any contract, mortgage, security agreement, indenture, trust indenture, note, loan agreement, commitment letter, agreement for sale, lease or other agreement, written or oral and any and all amendments or supplements thereto existing

between one or more of the Affected Creditors and Imperial as at the moment before the Effective Time,

will be deemed to be governed by the terms, conditions and provisions of the Sanction Order, which will take precedence and priority.

20.6 Severability of CCAA Plan Provisions

If, prior to the Plan Implementation Date, any term or provision of the CCAA Plan is held by the CCAA Court to be invalid, void or unenforceable, the CCAA Court, at the request of the Court-Appointed Mediator, the Monitor or Imperial, will have the power to either: (a) sever such term or provision from the balance of the CCAA Plan and provide the Court-Appointed Mediator and the Monitor with the option to proceed with the implementation of the balance of the CCAA Plan, or (b) alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision will then be applicable as so altered or interpreted. Notwithstanding any such holding, alteration or interpretation, and provided that the Court-Appointed Mediator and the Monitor are authorized by the CCAA Court to proceed with implementation of the CCAA Plan, the remainder of the terms and provisions of the CCAA Plan will remain in full force and effect and will in no way be affected, impaired or invalidated by such holding, alteration or interpretation.

20.7 Transition Period - Responsibilities and Protections of FTI as Monitor and CCAA Plan Administrator

FTI is acting and will continue to act in all respects in its capacity as Monitor in the CCAA Proceedings with respect to Imperial (and not in its personal capacity). Subject to the approval by the CCAA Court of FTI's appointment as the CCAA Plan Administrator pursuant to Article 14, Section 14.1, subsequent to the Effective Time FTI will transform from the Monitor into the CCAA Plan Administrator and will fulfill the duties and responsibilities of the CCAA Plan Administrator set forth in the CCAA Plan, any other Definitive Documents and any Order made in the CCAA Proceeding. Notwithstanding the foregoing, during the period of time subsequent to the Effective Time during which FTI transitions from its capacity as Monitor to its capacity as CCAA Plan Administrator, from time to time as required and applicable, FTI may act in both its capacities as the Monitor and the CCAA Plan Administrator depending upon the duties and responsibilities that it is fulfilling.

In all of its capacities as the Monitor, the Foreign Representative and the CCAA Plan Administrator, FTI shall not be responsible or liable for any obligations of Imperial and its Tobacco Company Group. FTI will have the powers and protections granted to it by the Initial Order, the CCAA Plan, the CCAA, the Sanction Order and any other Order made in the CCAA Proceeding and the Chapter 15 Proceedings, including the protections expressly set forth in Article 18, Sections 18.1.1 to 18.1.10 of the CCAA Plan. FTI and its Affiliates, shareholders, Affiliates' shareholders, employees, legal counsel, advisors, representatives and agents will incur no personal liability whatsoever whether on their own part or in respect of any failure on the part of Imperial and its Tobacco Company Group to observe, perform or comply with any of their obligations under the CCAA Plan. Any release, discharge or other benefit conferred upon FTI pursuant to the CCAA

Plan will enure to the benefit of FTI and its Affiliates, shareholders, Affiliates' shareholders, employees, legal counsel, advisors, representatives and agents. FTI in its personal capacity, and each of and its Affiliates, shareholders, Affiliates' shareholders, employees, legal counsel, advisors, representatives and agents, will be third party beneficiaries to the CCAA Plan entitled to enforce such releases, discharges and other benefits in accordance with the terms of the CCAA Plan.

20.8 Transition Period - Responsibilities and Protections of the Court-Appointed Mediator

The Court-Appointed Mediator is acting and will continue to act in all respects in his capacity as the Court-Appointed Mediator in the CCAA Proceeding with respect to Imperial (and not in his personal capacity). Subsequent to the Effective Time, if (i) requested by FTI in its capacity as the Monitor, the Foreign Representative or the CCAA Plan Administrator, or (ii) directed by the CCAA Court, the Court-Appointed Mediator will perform such duties and provide such services as may arise from or relate to the fulfillment of his mandate to mediate and give effect to the global settlement of all Tobacco Claims.

The Court-Appointed Mediator shall not be responsible or liable for any obligations of Imperial and its Tobacco Company Group. The Court-Appointed Mediator will have the powers and protections granted to him by the Initial Order, the CCAA Plan, the CCAA, the Sanction Order and any other Order made in the CCAA Proceeding, including the protections expressly set forth in Article 18, Sections 18.1.1 to 18.1.10 of the CCAA Plan. The Court-Appointed Mediator and his heirs, successors, assigns, representatives, advisors, legal counsel, consultants and agents will incur no personal liability whatsoever whether on their own part or in respect of any failure on the part of Imperial and its Tobacco Company Group to observe, perform or comply with any of their obligations under the CCAA Plan. Any release, discharge or other benefit conferred upon the Court-Appointed Mediator pursuant to the CCAA Plan will enure to the benefit of the Court-Appointed Mediator and his heirs, successors, assigns, representatives, advisors, legal counsel, consultants and agents. The Court-Appointed Mediator and his heirs, successors, assigns, representatives, advisors, legal counsel, consultants or agents, will be third party beneficiaries to the CCAA Plan entitled to enforce such releases, discharges and other benefits in accordance with the terms of the CCAA Plan.

20.9 Miscellaneous Claims Bar Date

Nothing in the CCAA Plan extends or shall be interpreted as extending or amending the Miscellaneous Claims Bar Date or gives or shall be interpreted as giving any rights to any Person in respect of Claims that have been barred or extinguished pursuant to the Claims Procedure Order and the Meeting Order.

20.10 Different Capacities

Persons who are impacted by the CCAA Plan may be impacted in more than one capacity. Unless expressly provided herein to the contrary, a Person will be entitled to participate hereunder in each such capacity. Any action taken by a Person in one capacity will not impact such Person in any other capacity, unless otherwise provided in the Meeting Order expressly agreed by the Court-

Appointed Mediator, the Monitor and the Person in writing, or unless its Claims overlap or are otherwise duplicative.

20.11 Notices

Any notice or other communication to be delivered hereunder must be in writing and reference the CCAA Plan and may, subject as hereinafter provided, be made or given by personal delivery, ordinary mail or by email addressed to the respective parties as follows:

(a) If to Imperial:

Imperial Tobacco Canada Limited
3711 Rue Saint-Antoine Ouest
Montréal QC H4C 3P6

Email: Plan_canada@bat.com

With a copy to (which will not constitute notice):

Osler, Hoskin & Harcourt LLP
100 King Street West
1 First Canadian Place
Suite 6200, P.O. Box 50
Toronto ON M5X 1B8

Attention: Marc Wasserman / Martino Calvaruso
Email: mwasserman@osler.com / mcalvaruso@osler.com

(b) If to an Affected Creditor: to the mailing address or email address provided on such Affected Creditor's Statement of Negative Notice Claim or other proof of claim, or such more recent address particulars of an Affected Creditor as noted in the files of Imperial or the Monitor.

(c) If to the Monitor:

FTI Consulting Canada Inc.
79 Wellington Street West
Suite 2010, P.O. Box 104
Toronto ON M5K 1G8

Email: imperialtobacco@fticonsulting.com

With a copy to (which will not constitute notice):

Davies Ward Phillips & Vineberg LLP
155 Wellington Street West
Toronto ON M5V 3J7

Email: itcan@dwpv.com

or to such other address as any party may from time to time notify the others in accordance with this Section, or, in the case of an address change for Imperial or the Monitor or CCAA Plan Administrator, by posting notice of such address change on the Monitor's website (<http://cfcanada.fticonsulting.com/imperialtobacco>). Any such communication so given or made shall be deemed to have been given or made and to have been received on the day of delivery if delivered, or on the day of sending by means of recorded electronic communication, provided that such day in either event is a Business Day and the communication is so delivered or sent before 5:00 p.m. (Eastern time) on such day. Otherwise, such communication shall be deemed to have been given and made and to have been received on the next following Business Day.

20.12 Further Assurances

Each of the Persons named or referred to in, or subject to, the CCAA Plan will execute and deliver all such documents and instruments and do all such acts and things as may be necessary or desirable to carry out the full intent and meaning of the CCAA Plan and to give effect to the transactions contemplated by the CCAA Plan and the Definitive Documents notwithstanding any provision of the CCAA Plan that deems any event or transaction to occur without further formality.

20.13 Language

The CCAA Plan, as well as any notices, schedules or other documents related thereto, have been and will be prepared in the English and French languages. To the extent a French language or other translation is prepared, any such translation will be for informational purposes only, it being intended that the English language version will govern and prevail in all respects.

20.14 Acts to Occur on Next Business Day

If any distribution, payment or act under the CCAA Plan is required to be made or performed on a date that is not a Business Day, then the making of such distribution, payment or the performance of such act may be completed on the next succeeding Business Day, but will be deemed to have been completed as of the required date.

20.15 Non-Consummation of the CCAA Plan

The Court-Appointed Mediator and the Monitor reserve the right to revoke or withdraw the CCAA Plan at any time prior to the date on which the CCAA Court grants the Sanction Order. If Court-Appointed Mediator and the Monitor revoke or withdraw the CCAA Plan, or if the Sanction Order is not issued or if the Plan Implementation Date does not occur, (a) the CCAA Plan and all transactions contemplated in the CCAA Plan shall be null and void in all respects, (b) any settlement or compromise embodied in the CCAA Plan, or any document or agreement executed pursuant to or in connection with the CCAA Plan shall be deemed to be null and void, and (c) nothing contained in the CCAA Plan, and no acts taken in preparation for consummation of the CCAA Plan, shall (i) constitute or be deemed to constitute a waiver or release of any Claims by or against Imperial or any member of its Tobacco Company Group or any other Person, (ii) prejudice in any manner the rights of Imperial or any member of its Tobacco Company Group or any other Person in any further proceedings involving any of Imperial or any member of its Tobacco

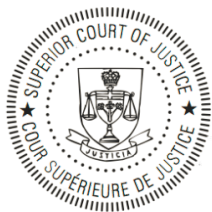
Company Group, or (iii) constitute an admission of any sort by Imperial or any member of its Tobacco Company Group or any other Person.

20.16 Deemed Waiver of Defaults from Plan Implementation Date

From and after the Plan Implementation Date, all Persons shall be deemed to have waived any and all defaults of Imperial then existing or previously committed by Imperial, or caused directly or indirectly by Imperial, the commencement of the CCAA Proceeding or the Chapter 15 Proceeding, any matter pertaining to the CCAA Proceeding or the Chapter 15 Proceeding, any of the provisions in the CCAA Plan or the Definitive Documents or steps or transactions contemplated in the CCAA Plan or the Definitive Documents, or any non-compliance with any covenant, warranty, representation, undertaking, positive or negative pledge, term, provision, condition or obligation, expressed or implied, in any contract, instrument, credit document, lease, guarantee, agreement for sale, deed, licence, permit or other agreement, written or oral, and any and all amendments or supplements thereto, existing between such Person and Imperial and any and all notices of default and demands for payment or any step or proceeding taken or commenced in connection therewith under any such agreement shall be deemed to have been rescinded and of no further force or effect; provided that, nothing herein shall be deemed to limit or excuse Imperial from performing their obligations thereunder and under the CCAA Plan or be a waiver of any defaults by Imperial under the CCAA Plan or the other Definitive Documents.

DATED as of the 17th day of October, 2024.

EXHIBIT B



Court File No. CV-19-616077-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE

)

THURSDAY, THE 31ST DAY OF

CHIEF JUSTICE MORAWETZ

)

)

OCTOBER, 2024

IN THE MATTER OF THE *COMPANIES' CREDITORS*
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF IMPERIAL TOBACCO CANADA
LIMITED AND IMPERIAL TOBACCO COMPANY LIMITED

APPLICANTS

ORDER

(Stay Extension to January 31, 2025)

THIS MOTION, made by the Applicants pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, for an order extending the Stay Period (defined below), was heard October 31, 2024 by judicial video conference in Toronto, Ontario.

ON READING the Notice of Motion of the Applicants, the Affidavit of Eric Thauvette sworn September 16, 2024, the Eighteenth Report of the Monitor, the Nineteenth Report of the Monitor, and on hearing the submissions of respective counsel for the Applicants, the Monitor, and such other counsel as were present, no one else appearing although duly served as appears from the Affidavit of Service of Emma Smith sworn September 17, 2024, filed:

- 2 -

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record herein is hereby abridged and validated so that this Motion is properly returnable on October 31, 2024, and hereby dispenses with further service thereof.

EXTENSION OF THE STAY PERIOD

2. **THIS COURT ORDERS** that the Stay Period as defined in paragraph 18 of the Second Amended and Restated Initial Order dated March 12, 2019 is hereby extended until and including January 31, 2025.

GENERAL

3. **THIS COURT ORDERS** that this Order is effective from the date that it is made and is enforceable without any need for entry and filing.

4. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

5. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body, having jurisdiction in Canada or in the United States of America, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.



Chief Justice Geoffrey B. Morawetz

**IN THE MATTER OF the Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36,
as amended
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
IMPERIAL TOBACCO CANADA LIMITED AND IMPERIAL TOBACCO
COMPANY LIMITED**

Court File No: CV-19-616077-0

APPLICANTS

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding Commenced at Toronto

ORDER

(Stay Extension to January 31, 2025)

OSLER, HOSKIN & HARCOURT LLP
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Toronto ON M5X 1B8

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Tel: 416.362.2111
Fax: 416.862.6666

Lawyers for the Applicants, Imperial Tobacco Canada
Limited and Imperial Tobacco Company Limited

EXHIBIT C



Court File No. CV-19-616077-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE CHIEF

)

THURSDAY, THE 31ST

JUSTICE MORAWETZ

)

DAY OF OCTOBER, 2024.

IN THE MATTER OF THE *COMPANIES' CREDITORS*
ARRANGEMENT ACT, R.S.C. 1985, C. c-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE
OR ARRANGEMENT OF **IMPERIAL TOBACCO CANADA**
LIMITED AND IMPERIAL TOBACCO COMPANY LIMITED

MEETING ORDER

THIS MOTION, made by FTI Consulting Canada Inc. (in its capacity as court-appointed Monitor of the Applicants, the "**Monitor**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the "**CCAA**") for an Order to, among other things:

- (i) accept the filing of the Plan (as defined below) of Imperial Tobacco Canada Limited and Imperial Tobacco Company Limited (collectively, "**Imperial**" or the "**Applicants**") under the CCAA;
- (ii) authorize and direct the Monitor to call, hold and conduct a meeting of Affected Creditors to vote on the Plan Resolution (as defined below) (the "**Meeting**");
- (iii) authorize, pursuant to section 22 of the CCAA, the classification of creditors into a single class for the purposes of the Meeting and voting on the Plan;

- (iv) approve the procedures to be followed at the Meeting, including voting procedures;
- (v) authorize, approve and direct the mailing, posting and distribution of certain Meeting Materials and other procedures to be followed to provide notice of the Meeting; and
- (vi) authorizes the Monitor to make a motion (the “**Sanction Motion**”) for the Sanction Hearing where the Court will decide whether to grant an order approving and sanctioning the Plan (the “**Sanction Order**”).

ON READING the Notice of Motion of the Monitor, the Twentieth Report of the Monitor dated October 25, 2024, and upon hearing the submissions of counsel to the Honourable Warren K. Winkler K.C. (the “**Court-Appointed Mediator**”), counsel to the Monitor, counsel to the Applicants, and those other parties listed on the Participant Information Form, no one appearing for any other person on the Service List, although properly served with the Monitor’s Motion Record dated October 17, 2024 (the “**Motion Record**”), as appears from the Affidavit of Service of Nancy Thompson, sworn October 17, 2024;

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and Motion Record herein is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

DEFINITIONS AND INTERPRETATION

2. **THIS COURT ORDERS** all capitalized terms not otherwise defined in this Meeting Order shall have the meanings ascribed to them in the Court-Appointed Mediator's and Monitors' CCAA Plan of Compromise and Arrangement of Imperial attached to the Motion Record (the "**Plan**"), and, in addition to the terms otherwise defined herein or in the Plan, the following terms in this Meeting Order shall have the following meanings:

- a. "**Claimants**" means the Provinces and Territories, Quebec Class Action Plaintiffs, Pan-Canadian Claimants, *Knight* Class Action Plaintiffs and Tobacco Producers.
- b. "**Eligible Voting Creditor**" means the Claimants and, if applicable, any Putative Miscellaneous Claimants that have filed a Miscellaneous Claimant Proof of Claim by the Miscellaneous Claims Bar Date in accordance with the terms of the Claims Procedure Order.
- c. "**Filing Date**" means March 12, 2019.
- d. "**Meeting Date**" means December 12, 2024, provided that the Monitor may extend or adjourn the date on which the Meeting will be held in accordance with this Meeting Order.
- e. "**Meeting Materials**" means:
 - (i) the Proxy and Proxy Instructions attached hereto;
 - (ii) a copy of this Meeting Order;
 - (iii) the Plan;
 - (iv) the Omnibus Notice; and

(v) any other materials the Monitor may wish to include.

- f. **“Miscellaneous Claimant Proof of Claim”** means the proof of claim form included as part of the Claims Package.
 - g. **“Miscellaneous Claims Bar Date”** means 5:00 p.m. on December 5, 2024.
 - h. **“Omnibus Notice”** means the notice which the Monitor shall cause to be published regarding the Claims Procedure Order and the Meeting, in accordance with the Omnibus Notice Program, a copy of which notice is attached as Schedule “C” to the Claims Procedure Order and as Schedule “C” to the Plan.
 - i. **“Plan Resolution”** means the resolution to approve the Plan and the transactions contemplated thereby, which will be voted on by the Eligible Voting Creditors at the Meeting.
 - j. **“Proxy”** means the form of proxy for all Eligible Voting Creditors, substantially in the form attached hereto as **Schedule “A”**.
 - k. **“Proxy Instructions”** means the proxy completion instructions, attached hereto as **Schedule “B”**.
 - l. **“Website”** means the website maintained by the Monitor located at:
<http://cfcanada.fticonsulting.com/imperialtobacco/>.
3. **THIS COURT ORDERS** that all references to time herein shall mean Eastern time and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m. on such Business Day unless otherwise indicated herein.

4. **THIS COURT ORDERS** that all references to the word “including” or “includes” shall mean “including without limitation” or “includes without limitation” as the case may be.
5. **THIS COURT ORDERS** that, unless the context otherwise requires, words importing the singular shall include the plural and *vice versa*, and words importing any gender shall include all genders.

THE MONITOR

6. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under (i) the CCAA, (ii) the Initial Order, (iii) the Claims Procedure Order, and (iv) any further and other Order of this Court, is hereby directed and empowered to take such other actions and fulfill such other roles as are contemplated by this Meeting Order.
7. **THIS COURT ORDERS** that the Monitor shall seek such assistance as may be reasonably required from the Court-Appointed Mediator, the Applicants and the Claimants, as applicable, to carry out the terms of this Order.
8. **THIS COURT ORDERS** that the Monitor shall incur no liability or obligation whatsoever arising from or out of in whole or in part any act, omission, duty, responsibility, obligation, dealing or other occurrence in any way connected to its actions as an officer of the CCAA Court carrying out its mandate in this CCAA Proceeding, including without limitation the carrying out of the provisions of this Meeting Order. The Monitor shall have all of the protections given to it by the CCAA, any other applicable legislation, including pursuant to Section 142 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, the Initial Order, this Meeting Order and any other orders of the CCAA Court made in this CCAA Proceeding. All Claims

arising out of the Monitor's actions or omissions shall be forever waived and released to the fullest extent permitted by applicable law.

9. **THIS COURT ORDERS** that the Court-Appointed Mediator shall incur no liability or obligation whatsoever arising from or out of in whole or in part any act, omission, duty, responsibility, obligation, dealing or other occurrence in any way connected to his actions as an officer of the CCAA Court carrying out his mandate as a neutral third party to mediate a global settlement in this CCAA Proceeding, including without limitation the carrying out of the provisions of this Meeting Order. The Court-Appointed Mediator shall have all of the protections given to him by the CCAA, any other applicable legislation, including pursuant to Section 142 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, the Initial Order, this Meeting Order and any other orders of the CCAA Court made in this CCAA Proceeding. In particular, the Court-Appointed Mediator shall have the immunity of a Judge of a Superior Court in Canada. All Claims arising out of the Court-Appointed Mediator's actions or omissions shall be forever waived and released to the fullest extent permitted by applicable law.

10. **THIS COURT ORDERS** that the Monitor is hereby authorized to retain such agents as it deems to be advisable to assist it in connection with calling and conducting the Meeting, including with respect to the distribution of the Meeting Materials, the identification of the applicable Eligible Voting Creditors, and the solicitation of Proxies from Eligible Voting Creditors.

THE CCAA PLAN AND MEETING AUTHORIZATION

11. **THIS COURT ORDERS** that the Plan is hereby accepted for filing and the Monitor is hereby authorized and directed to call the Meeting for the purposes of seeking the approval of the Plan

Resolution by the Eligible Voting Creditors at the Meeting in the manner set forth herein and of transacting such other business as may be properly brought before the Meeting.

12. **THIS COURT ORDERS** that the Court-Appointed Mediator and the Monitor are hereby authorized to amend, restate, modify and/or supplement the Plan in accordance with the terms of the Plan (each, a “**Plan Modification**”), in which case any such Plan Modification shall, for all purposes, be and be deemed to form part of and be incorporated into the Plan.

NOTICE OF CLAIMS PROCESS AND CREDITORS’ MEETING AND DELIVERY OF MATERIALS TO AFFECTED CREDITORS

13. **THIS COURT ORDERS** that the Monitor is hereby authorized to convene, hold and conduct the Meeting at 11:00 a.m. on the Meeting Date, which Meeting shall be held virtually by way of videoconference, for the purpose of considering and, if deemed advisable, passing the Plan Resolution unless the Monitor, in accordance with paragraph 28 hereof, or the chair of the Meeting (the “**Chair**”), in accordance with paragraph 36 hereof, decides to adjourn, postpone or otherwise reschedule the Meeting.
14. **THIS COURT ORDERS** that by no later than November 29, 2024 the Monitor shall publish the Meeting Materials on the Website.
15. **THIS COURT ORDERS** that the Monitor is hereby authorized to:
- a. at any time prior to or at the Meeting, amend, restate, modify or supplement any of the Meeting Materials, subject to the terms of the Plan, provided that:
 - i. the Monitor or the Chair shall communicate the details of any such

amendments, restatements, modifications or supplements to the Eligible Voting Creditors present at the Meeting prior to any vote being taken at the Meeting;

- ii. the Monitor shall forthwith provide notice to the Common Service List of such amendments, restatements, modifications or supplements; and,
- iii. the Monitor shall forthwith post an electronic copy of any such amendments, restatements, modifications or supplements on the Website.

16. **THIS COURT ORDERS THAT** by no later than five (5) Business Days following the Miscellaneous Claims Bar Date, the Monitor shall send to each Eligible Voting Creditor copies of the Meeting Materials by e-mail to the e-mail address appearing on the Eligible Voting Creditor's Statement of Negative Notice Claim or Miscellaneous Claimant Proof of Claim, as the case may be, in accordance with the Claims Procedure Order.
17. **THIS COURT ORDERS** that the Monitor shall, as soon as practicable following the issuance of this Meeting Order, post on its Website a notice directing all Persons to a URL with the Meeting Materials and an information bulletin advising of the Meeting Order and Plan.
18. **THIS COURT ORDERS** that the noticing and publication and transmission and delivery of the Meeting Materials in accordance with paragraphs 14, 16 and 17 hereof, shall constitute good and sufficient service of the Meeting Materials on all Persons who may be entitled to receive notice thereof, or of these proceedings, who may wish to be present in person or represented by proxy at the Meeting, or who may wish to appear in these proceedings, and no

other form of notice or service needs to be made on such Persons, and no other document or material needs to be served on such Persons in respect of these proceedings, the Plan and the Meeting. Notice shall be effective, in the case of delivery by e-mail, on the day the e-mail was transmitted, unless such day is not a Business Day, or the e-mail transmission was made after 5:00 p.m., in which case, on the next Business Day.

19. **THIS COURT ORDERS** that the accidental failure to transmit or deliver the Meeting Materials by the Monitor in accordance with this Meeting Order or the non-receipt of such materials by any Person entitled to delivery of such materials shall not invalidate the acceptance of the Plan Resolution or any other proceedings taken at the Meeting.

CLASSIFICATION OF CREDITORS

20. **THIS COURT ORDERS** that for the purposes of considering and voting on the Plan Resolution, the Affected Creditor Class, consisting of all Eligible Voting Creditors, shall be the only class of creditors.

VOTING BY REPRESENTATIVES

21. **THIS COURT ORDERS** that PCC Representative Counsel, without the need to provide any Proxy or any other document to affect same, is hereby appointed as proxy for all Pan-Canadian Claimants and is hereby authorized to vote the Voting Claims of all Pan-Canadian Claimants on their behalf at the Meeting.
22. **THIS COURT ORDERS** that Quebec Class Counsel, without the need to provide any Proxy or any other document to affect same, is hereby appointed as proxy for all Quebec Class Action

Plaintiffs and is hereby authorized to vote the Voting Claims of all Quebec Class Action Plaintiffs on their behalf at the Meeting.

23. **THIS COURT ORDERS** that Counsel for the Tobacco Producers, without the need to provide any Proxy or any other document to affect same, is hereby appointed as proxy for all Tobacco Producers and is authorized to vote the Voting Claims of all Tobacco Producers on their behalf at the Meeting.
24. **THIS COURT ORDERS** that *Knight* Class Counsel, without the need to provide any Proxy or any other document to affect same, is hereby appointed as proxy for all *Knight* Class Action Plaintiffs and is authorized to vote the Voting Claims of all the *Knight* Class Action Plaintiffs on their behalf at the Meeting.

CONDUCT OF MEETING AND DELIVERY OF PROXIES

25. **THIS COURT ORDERS** that the amount of a Voting Claim which may be voted (or is deemed to have been voted) shall be the amount of that Voting Claim set out in the Statement of Negative Notice Claim or Miscellaneous Claimant Proof of Claim (each as may be modified in accordance with the Claims Procedure).
26. **THIS COURT ORDERS** that for purposes relating to voting on the Plan, Voting Claims denominated in currencies other than Canadian currency in any Miscellaneous Claimant Proof of Claim filed with the Monitor, shall be converted by the Monitor to Canadian Dollars at the applicable Bank of Canada exchange rate at 12:00 p.m. on the Filing Date.
27. **THIS COURT ORDERS** that a representative of the Monitor, as designated by the Monitor, shall preside as the Chair, and, subject to this Meeting Order or any further order of this Court,

shall decide all matters relating to the conduct of the Meeting.

28. **THIS COURT ORDERS** that the Monitor may adjourn or postpone the Meeting on one or more occasions (whether or not a quorum is present, if applicable) and for such period or periods of time as the Monitor deems advisable, without the necessity of first convening the Meeting or first obtaining any vote of the Eligible Voting Creditors, in respect of the adjournment or postponement. Notice of such adjournment or postponement may be given by such method as the Monitor determines to be appropriate in the circumstances. If the Meeting is adjourned or postponed in accordance with this Meeting Order, the references to such Meeting and the Meeting Date in this Order shall be deemed to be the Meeting and the Meeting Date as adjourned or postponed, as the context requires.
29. **THIS COURT ORDERS** that the Monitor may appoint scrutineers for the supervision and tabulation of the attendance, quorum and votes cast at the Meeting and any Person to act as secretary at the Meeting.
30. **THIS COURT ORDERS** that the only Persons entitled to attend the Meeting are: (i) the Applicants and their legal counsel and advisors; (ii) the Directors and their legal counsel and advisors; (iii) the Monitor and the monitors of the other Tobacco Companies and their respective legal counsel; (iv) the Court-Appointed Mediator and his legal counsel; and, (v) Eligible Voting Creditors, including their Proxy holders, and their legal counsel and advisors. Any other Person may be admitted on invitation of the Monitor or the Chair. For certainty, individuals who have asserted or may be entitled to assert a Tobacco Claim shall not be permitted to file a Miscellaneous Proof of Claim, attend the Meeting or vote on the Plan.
31. **THIS COURT ORDERS** that in order to be voted at the Meeting, a Proxy, properly

completed in accordance with the Proxy Instructions, must be received by the Monitor on or before 5:00 p.m. on December 5, 2024 (the “**Proxy Voting Deadline**”) either by: (1) e-mail to imperialtobacco@fticonsulting.com; or, (2) delivery to the Monitor's office located at 79 Wellington Street West, Suite 2010, Toronto, ON M5K 1G8 (Attention: Kamran Hamidi).

32. **THIS COURT ORDERS** that if no name has been inserted in the space provided to designate the proxyholder on a Proxy, the applicable Eligible Voting Creditor shall be deemed to have appointed a representative of the Monitor as proxyholder.
33. **THIS COURT ORDERS** that in the absence of instructions to vote in favour of or against the Plan Resolution, any Proxy received by the Monitor in accordance with paragraph 31 hereof shall be deemed to include instructions to vote in favour of the Plan Resolution.
34. **THIS COURT ORDERS** that to the extent that the Monitor is in receipt of more than one Proxy in respect of the same Eligible Voting Creditor, the last submitted duly signed and returned Proxy shall be deemed to be such Eligible Voting Creditor's instructions with respect to the Plan.
35. **THIS COURT ORDERS** that, for the purposes of voting at the Meeting, the Monitor shall not be bound to recognize or acknowledge any transfer or assignment of a Voting Claim, in whole or in part, and the Monitor shall be entitled to give notices to and to otherwise deal with such Voting Claim only as a whole and in respect of the Eligible Voting Creditor holding such Voting Claim.
36. **THIS COURT ORDERS** that the quorum required at the Meeting shall be one Eligible Voting Creditor present in person or by Proxy and entitled to vote at the Meeting. If the

requisite quorum is not present at the Meeting, then the Meeting shall be adjourned by the Chair to such date, time and place as may be decided by the Chair in his or her sole discretion. The Chair shall decide on the manner of giving notice to the Eligible Voting Creditors of the rescheduled Meeting and may, if he or she deems it appropriate, restrict such notice to a notice posted on the Website.

VOTING PROCEDURE

37. **THIS COURT ORDERS** that the only Persons entitled to vote at the Meeting shall be Eligible Voting Creditors and their Proxy holders.
38. **THIS COURT ORDERS** that, in order to be approved, the Plan Resolution must receive an affirmative vote by the Required Majority at the Meeting and any other matter submitted for a vote at the Meeting shall be decided by a simple majority of votes cast on a vote by a show of hands or by any other method as determined by the Chair.
39. **THIS COURT ORDERS** that the results of any vote conducted at the Meeting shall be binding on all Affected Creditors, whether or not any such Affected Creditor is present or voting at the Meeting.
40. **THIS COURT ORDERS** that any Eligible Voting Creditor may vote by: (a) attending the Meeting in person (electronically or virtually) and casting its vote in compliance with any voting instructions provided in the Meeting Materials or by the Chair at the Meeting; or (b) by Proxy, in accordance with paragraphs 30 and 31 of this Meeting Order.
41. **THIS COURT ORDERS** that the Monitor shall keep records and tabulations of all votes cast at the Meeting.

42. **THIS COURT ORDERS** that Voting Claims shall be rounded down to the nearest whole dollar amount without compensation.
43. **THIS COURT ORDERS** that no Eligible Voting Creditor shall be entitled to bifurcate or sub-divide a Voting Claim for purposes of voting.

VOTING BY CLAIMANTS

44. **THIS COURT ORDERS** that for the purposes of counting and tabulating the votes of the Claimants, and for the purposes of determining the Required Majority to approve the Plan Resolution, each Claimant shall have the number of votes and the value attributed to such votes that is set out in the definition of “Negative Notice Claim” in the Plan (as such numbers and values may be modified in accordance with the Claims Procedure Order).

VOTING BY PUTATIVE MISCELLANEOUS CLAIMANTS

45. **THIS COURT ORDERS** that for the purposes of counting and tabulating the votes of Putative Miscellaneous Claimants, and for the purposes of determining the Required Majority to approve the Plan Resolution, each Putative Miscellaneous Claimant holding a Voting Claim shall have one vote and the value attributed to such vote shall be equal to the aggregate CAD value of such Putative Miscellaneous Claimant’s Voting Claim.
46. **THIS COURT ORDERS** that the votes of Claimants and the votes of Putative Miscellaneous Claimants holding a Voting Claim, if any, will be tabulated on separate ledgers.

SANCTION ORDER MOTION

47. **THIS COURT ORDERS** that as soon as practicable following the Meeting, the Monitor shall report to this Court on: (i) the voting results on the separate ledgers of the Claimants and the Putative Miscellaneous Claimants with respect to the approval of the Plan Resolution; and (ii) any other matter the Monitor considers relevant with respect to the Meeting or the Sanction Motion.
48. **THIS COURT ORDERS** that if the Plan Resolution is approved by the Required Majority at the Meeting, the Monitor may make the Sanction Motion.

GENERAL PROVISIONS

49. **THIS COURT ORDERS** that notwithstanding anything contained in this Meeting Order, the Monitor may decide not to call, hold and/or conduct the Meeting, provided that:
- a. if the decision is made to not further conduct the Meeting after the commencement of the Meeting, the Monitor or the Chair shall communicate such decision to Eligible Voting Creditors present at the Meeting prior to any vote being taken at the Meeting;
 - b. if the decision is made to not hold the Meeting prior to the Meeting being held, the Monitor shall provide notice to the Common Service List of any such decision; and
 - c. in either case of a. and b. above, the Monitor shall post an electronic copy of any such decision on the Website as soon as practicable following such decision.
50. **THIS COURT ORDERS** that any notice or other communication to be given pursuant to this

Order by or on behalf of any person to the Monitor shall be in writing and will be sufficiently given only if by courier, e-mail or hand-delivery addressed to:

FTI Consulting Canada Inc., as Monitor of Imperial
79 Wellington Street West
Suite 2010,
Toronto, ON M5K 1G8
Email: imperialtobacco@fticonsulting.com

51. **THIS COURT ORDERS** that the Monitor shall use reasonable discretion as to the adequacy of completion and execution of any document completed and executed pursuant to this Order and, where the Monitor is satisfied that any matter to be proven under this Order has been adequately proven, the Monitor may waive strict compliance with the requirements of this Order as to the completion and execution of documents.
52. **THIS COURT ORDERS** that if any deadline set out in this Order falls on a day other than a Business Day, the deadline shall be extended to the next Business Day.
53. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada, outside Canada and against all Persons against whom it may be enforceable.
54. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or elsewhere to give effect to this Order and to assist the Monitor and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Monitor and its agents in carrying out the terms of this Order.

55. **THIS COURT ORDERS** that subject to further Order of this Court, in the event of any conflict, inconsistency, ambiguity or difference between the provisions of the Plan and this Meeting Order, the terms, conditions and provisions of the Plan shall govern and be paramount, and any such provision of this Meeting Order shall be deemed to be amended to the extent necessary to eliminate any such conflict, inconsistency, ambiguity or difference.
56. **THIS COURT ORDERS** that the Monitor may apply to this Court from time to time for directions from this Court with respect to this Meeting Order and the Plan, including with respect to the Meeting and Schedules to this Meeting Order, or for such further order(s) as either of them may consider necessary or desirable to amend, supplement or replace this Meeting Order or the Plan, including any Schedule hereto.



Chief Justice Geoffrey B. Morawetz

SCHEDULE "A"

IN THE MATTER OF THE *COMPANIES' CREDITORS*
ARRANGEMENT ACT, R.S.C. 1985, C. c-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE
OR ARRANGEMENT OF IMPERIAL TOBACCO CANADA
LIMITED AND IMPERIAL TOBACCO COMPANY LIMITED

CREDITOR PROXY

Before completing this proxy, please read carefully the accompanying "Proxy Completion Instructions".

Capitalized terms used and not otherwise defined herein have the meanings ascribed to them in the Court-Appointed Mediator's and Monitors' CCAA Plan of Compromise and Arrangement for Imperial Tobacco Canada Limited and Imperial Tobacco Company Limited (collectively, "**Imperial**") dated October 17, 2024 (as may be amended, restated or supplemented from time to time, the "**Plan**") or in the meeting order dated October 31, 2024 (as may be amended, restated or supplemented from time to time, the "**Meeting Order**").

THIS FORM OF PROXY IS FOR USE BY ALL CREDITORS. In accordance with the Meeting Order, this proxy may only be filed by the Claimants and, if applicable, any Putative Miscellaneous Claimants that have filed a Miscellaneous Claimant Proof of Claim by the Miscellaneous Claims Bar Date in accordance with the terms of the Claims Procedure Order (the "**Eligible Voting Creditors**").

A PROXY ONCE DULY COMPLETED, DATED AND SIGNED, MUST BE SUBMITTED BY E-MAIL, COURIER OR PERSONAL DELIVERY TO THE MONITOR'S OFFICE BY NO LATER THAN 5:00 P.M. (EASTERN TIME) ON DECEMBER 5, 2024. (Note: Delivery by e-mail is strongly recommended and preferred to ensure the proxy is received by the Monitor prior to the deadline.)

PLEASE NOTE THAT THE MEETING WILL TAKE PLACE VIA VIDEOCONFERENCE. All votes will be cast by the Eligible Voting Creditors (or their proxies) through the online platform provided by the Monitor, in accordance with the Meeting Order, and there shall be no ability to attend or cast a vote in person.

THE UNDERSIGNED ELIGIBLE VOTING CREDITOR hereby revokes all proxies previously given, if any, and nominates, constitutes and appoints the Person named below (or in the absence of a Person being named below, a representative of the Monitor) to attend on behalf of and act for the undersigned Eligible Voting Creditor at the Meeting to be held in connection with voting on the Plan and at any and all adjournments, postponements or other reschedulings of such Meeting, and to vote

the dollar value of the Voting Claims of the undersigned for voting purposes as determined by and accepted for voting purposes in accordance with the Meeting Order and the Claims Procedure Order as follows:

VOTE
(Mark one only):

FOR ☐

APPROVAL OF THE PLAN

AGAINST ☐

The nominee shall vote at the nominee's discretion and otherwise act for and on behalf of the undersigned Eligible Voting Creditor with respect to any amendments, modifications, variations or supplements to the Plan and to any other matters that may come before the Meeting or any adjournment, postponement or other rescheduling of the Meeting.

In absence of instruction to vote for or against the approval of the resolution to approve the Plan, any duly signed and returned proxy shall be deemed to include instructions to vote for the approval of the resolution to approve the Plan.

Dated this _____ day of _____, 2024

Print Name of Eligible Voting Creditor

Print name and title of the authorized signing officer of the corporation, partnership or trust, if applicable, signing this form

Signature of Eligible Voting Creditor or, if such creditor is a corporation, partnership, trust or other entity, signature of an authorized signing officer of the corporation, partnership, trust or entity

Telephone number of Eligible Voting Creditor

Mailing Address of Eligible Voting Creditor

E-mail address of Eligible Voting Creditor

Print Name of Nominee to act as proxyholder

E-mail address of Nominee to act as
proxyholder

SCHEDULE "B"**PROXY COMPLETION INSTRUCTIONS**

1. These instructions should be read in conjunction with the Court-Appointed Mediator's and Monitors' CCAA Plan of Compromise and Arrangement for Imperial Tobacco Canada Limited and Imperial Tobacco Company Limited (collectively, "**Imperial**") dated October 17, 2024 (as may be amended, restated, or supplemented from time to time, the "**Plan**") or in the meeting order dated October 31, 2024 (as may be amended, restated or supplemented from time to time, the "**Meeting Order**"). Capitalized terms used and not otherwise defined herein have the meanings ascribed to them in the Plan or the Meeting Order.
2. The Meeting will be held via videoconference on a virtual meeting platform at 11:00 a.m. (Eastern Time) on December 12, 2024.
3. The Person named on the completed and submitted proxy as "Nominee" for the Eligible Voting Creditor shall be the Person that serves as proxyholder for the Eligible Voting Creditor to attend on behalf of and act for the Eligible Voting Creditor at the Meeting. If a Person is not named in the "Name of Nominee" space provided on a completed and submitted proxy, a representative of the Monitor shall be deemed to be the representative of that Eligible Voting Creditor to act for such Eligible Voting Creditor at the Meeting.
4. An Eligible Voting Creditor who has given a proxy may revoke it as to any matter on which a vote has not already been cast pursuant to its authority by delivering written notice to the Monitor at the contact details set out below prior to 5:00 p.m. (Eastern time) on December 5, 2024 (the "**Proxy Voting Deadline**"). Such written notice must be delivered by e-mail, courier or personal delivery in accordance with Paragraph 11 below.
5. If a completed and submitted proxy is not dated in the space provided, it shall be deemed to be dated as of the date on which it is received by the Monitor.
6. A valid proxy from the same Eligible Voting Creditor bearing, or deemed to bear, a later date shall revoke the earlier dated proxy. If more than one valid proxy from the same Eligible Voting Creditor in the same capacity and bearing, or deemed to bear, the same date are received with conflicting instructions, such proxies shall not be counted for the purposes of the vote.
7. The proxyholder shall vote the Voting Claim of the Eligible Voting Creditor in accordance with the direction of the Eligible Voting Creditor appointing them on any ballot that may be called for at the applicable Meeting or any adjournment or postponement of such Meeting.

IF AN ELIGIBLE VOTING CREDITOR SUBMITS A PROXY AND FAILS TO INDICATE ON THE PROXY A VOTE FOR OR AGAINST APPROVAL OF THE PLAN, SUCH PROXY SHALL BE VOTED FOR APPROVAL OF THE PLAN, INCLUDING ANY AMENDMENTS, VARIATIONS OR SUPPLEMENTS THERETO.

8. A completed and submitted proxy confers discretionary authority upon the proxy holder with respect to other matters that may properly come before the Meeting or any adjournment or postponement of the Meeting.

9. If the Eligible Voting Creditor is an individual, the proxy must be signed by the Eligible Voting Creditor or by a person duly authorized (by power of attorney) to sign on the Eligible Voting Creditor's behalf. If the Eligible Voting Creditor is a corporation, partnership, trust or other entity, the proxy must be signed by a duly authorized officer or attorney of the corporation, partnership, trust or other entity. A signatory may be required to provide documentation evidencing their power and authority to sign the proxy.
10. An electronic signature of the applicable signatory or a photo of the dated and signed signature page will be acceptable.
11. **A PROXY ONCE DULY COMPLETED, DATED AND SIGNED, MUST BE SUBMITTED BY E-MAIL, COURIER OR PERSONAL DELIVERY TO THE MONITOR SO THAT IT IS RECEIVED BY NO LATER THAN 5:00 P.M. (EASTERN TIME) ON THE PROXY VOTING DEADLINE.**

(Note: Delivery by e-mail is strongly recommended and preferred to ensure the proxy is received by the Monitor prior to the deadline.)

By e-mail: imperialtobacco@fticonsulting.com

By courier or personal delivery: FTI Consulting Canada Inc., as Monitor of Imperial
79 Wellington Street West
Suite 2010,
Toronto, ON M5K 1G8
Attention: Kamran Hamidi

12. The Monitor is authorized to use reasonable discretion as to the adequacy of compliance with respect to the manner in which any proxy is completed and executed and may waive strict compliance with the requirements in connection with the deadlines imposed by the Meeting Order.

*IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, C. c-36, AS AMENDED AND IN THE MATTER OF A
PLAN OF COMPROMISE OR ARRANGEMENT OF IMPERIAL TOBACCO CANADA LIMITED AND IMPERIAL TOBACCO COMPANY LIMITED*

E-mail of the recipients: See the Common Service List

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**
Proceeding commenced at Toronto

**ORDER
Dated October 31, 2024
(Meeting Order)**

DAVIES WARD PHILLIPS & VINEBERG LLP
155 Wellington Street West
Toronto, Ontario M5V 3J7

Natasha MacParland, LSO #: 42383G
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Chanakya A. Sethi, LSO#: 63492T
Tel: (416) 863-5516
Email: csethi@dwpv.com

Lawyers for the Monitor

EXHIBIT D



Court File No. CV-19-616077-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE

CHIEF JUSTICE MORAWETZ

)
)
)

THURSDAY, THE 31ST DAY
OF OCTOBER, 2024

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE
OR ARRANGEMENT OF **IMPERIAL TOBACCO CANADA
LIMITED AND IMPERIAL TOBACCO COMPANY LIMITED**

CLAIMS PROCEDURE ORDER

THIS MOTION made by FTI Consulting Canada Inc., in its capacity as Court-appointed monitor to the Applicant (the "**Monitor**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. c-36, as amended (the "**CCAA**") for an Order, *inter alia* establishing a claims procedure for the identification of Affected Claims against Imperial Tobacco Canada Limited and Imperial Tobacco Company Limited (collectively, the "**Applicant**" or "**Imperial**") was heard this day by judicial video-conference via Zoom in Toronto, Ontario.

ON READING the Notice of Motion of the Monitor, the Twenty-First Report of the Monitor dated October 25, 2024, and on hearing the submissions of respective counsel for the Honourable Warren K. Winkler, K.C., in his capacity as the Court-appointed mediator in the CCAA Proceedings of the Applicant (the "**Court-Appointed Mediator**"), the Monitor, the Applicant and such other counsel as were present, no one else appearing although duly served as appears from the Affidavit of Service of Nancy Thompson sworn October 17, 2024;

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record herein is validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

DEFINITIONS AND INTERPRETATION

2. **THIS COURT ORDERS** that any capitalized term used and not defined herein shall have the meaning ascribed thereto in the Court-Appointed Mediator's and Monitor's Plan of Compromise and Arrangement in respect of the Applicant dated October 17, 2024, as such plan may be hereafter amended or modified in accordance with the terms thereof, (the "**CCAA Plan**").

3. **THIS COURT ORDERS** that for the purposes of this Order, the following terms shall have the following meanings:

"**Affected Claim**" means any Claim, other than an Unaffected Claim, against Imperial. For greater certainty, all Tobacco Claims, including the Provincial HCCR Claims, Territorial HCCR Claims, QCAP Claims, PCC Claims, *Knight* Claims, Tobacco Producers Claims and Miscellaneous Claims are Affected Claims.

"**Affected Creditor**" means a Creditor who holds an Affected Claim.

"**Affected Creditor Class**" means the single class of creditors comprised solely of Affected Creditors grouped for the purpose of considering and voting on the CCAA Plan.

"**CCAA Court**" means the Ontario Superior Court of Justice (Commercial List) at Toronto.

"**Claimant Allocation**" has the meaning given in Article 16, Section 16.1 of the CCAA Plan.

"**Claimants**" means the Provinces and Territories, Quebec Class Action Plaintiffs, Pan-Canadian Claimants, *Knight* Class Action Plaintiffs and Tobacco Producers, and "**Claimant**" means any one of them.

"**Claims Package**" means the documents attached to this Order as **Schedule "A"**, including the Instruction Letter and the Miscellaneous Claimant Proof of Claim form.

"**Claims Procedure**" means the claims procedure contemplated by this Order for (i) disputing the value and number of votes attributed to the Claims of the Claimants, and (ii) identifying Miscellaneous Claims for voting purposes.

"**Effective Time**" means such time on the Plan Implementation Date as the Court-Appointed Mediator and the Monitor may determine and designate.

"**Individual Claimants**" means all individuals who have asserted or may be entitled to assert a Tobacco Claim, which individuals are either Pan-Canadian Claimants or Quebec Class

Action Plaintiffs and are represented in this CCAA Proceeding by either the PCC Representative Counsel or the Quebec Class Counsel respectively.

“Instruction Letter” means the letter included in the Claims Package.

“ITCAN” means Imperial Tobacco Canada Limited.

“ITCO” means Imperial Tobacco Company Limited.

“Meeting” means the meeting of Affected Creditors to be called and held pursuant to the Meeting Order for the purpose of considering and voting on the CCAA Plan, and includes any adjournment, extension, postponement or other rescheduling of such meeting.

“Meeting Order” means the order of this CCAA Court directing the calling and holding of the Meeting of Affected Creditors to vote on the CCAA Plan, as such order may be amended, restated or varied from time to time.

“Miscellaneous Claimant Proof of Claim” means the proof of claim form included as part of the Claims Package.

“Miscellaneous Claims” means collectively:

- (a) any Pre-Implementation Miscellaneous Claim;
- (b) any Section 5.1(2) Claim, in respect of which the Person holding such Claim, or an authorized Person on their behalf, has not executed and delivered, or will not execute and deliver, a Claimant Contractual Release;
- (c) any Section 19(2) Claim in regard to which the compromise or arrangement in respect of Imperial explicitly provides for the Section 19(2) Claim’s compromise, and the Person holding such Claim, or an authorized Person on their behalf, has not voted, or will not vote, for the acceptance of the compromise or arrangement, or otherwise execute and deliver a Claimant Contractual Release; and
- (d) any other Claim in respect of Imperial (excluding any Unaffected Claim) which is received by the Monitor and asserted against any Released Party based on, arising from or in respect of any conduct, act, omission, transaction, duty, responsibility, indebtedness, liability, obligation, dealing, fact, matter, or occurrence existing or taking place at or prior to the Effective Time (whether or not continuing thereafter) by a Person who asserts that such Claim will not be or, if asserted after the Effective Time, has not been compromised and fully, finally and irrevocably and unconditionally released and forever discharged, and permanently barred and enjoined pursuant to the terms of the CCAA Plan, the Claims Procedure Order, the Sanction Order or any other Order made in the CCAA Proceeding, and in accordance with Article 18, Section 18.2.3 of the CCAA Plan, the CCAA Court grants leave for such Person to bring such Claim for determination on its merits by the CCAA Court.

The existence of any such Miscellaneous Claims is not admitted but is expressly denied by Imperial, its Tobacco Company Group and the Claimants. For greater certainty, no Claimant or Individual Claimant may assert a Miscellaneous Claim.

“Miscellaneous Claims Bar Date” means 5:00 pm (Eastern Time) on December 5, 2024.

“Miscellaneous Claims Fund” means the trust account established to address, resolve and fully compromise any Miscellaneous Claims that may be asserted in respect of the CCAA Proceedings of the Tobacco Companies, the amount of which shall be held for a period of three (3) years from the Effective Time, the whole in accordance with Article 18, Section 18.2.1 of the CCAA Plan.

“Miscellaneous Claims Procedure” means the procedure pursuant to which a Putative Miscellaneous Claimant can assert a Miscellaneous Claim as established in Article 18, Section 18.2 of the CCAA Plan.

“Negative Notice Bar Date” means 5:00 p.m. (Eastern Time) on the date that is twenty-one (21) days following the Negative Notice Issuance Date.

“Negative Notice Claim” means the value (for voting purposes only) of the Affected Claims of each Claimant and the number of votes associated therewith as set forth in a Statement of Negative Notice Claim to be sent to each Claimant in accordance with the following:

Claimant	Number of Votes for Voting Purposes	Value of Claim for Voting Purposes
Quebec Class Action Plaintiffs (QCAPs)	99,958	\$13,706,891,279
Pan-Canadian Claimants (PCCs)	186,003	\$5,041,088,110
<i>Knight</i> Class Action Plaintiffs	1	\$484,000,000
Tobacco Producers	3,930	\$29,043,876
British Columbia	1	\$136,681,344,490
Alberta	1	\$119,266,303,168
Saskatchewan	1	\$27,189,868,453
Manitoba	1	\$42,741,373,788
Ontario	1	\$271,795,731,959
Quebec	1	\$253,365,332,712
New Brunswick	1	\$22,778,964,723
Nova Scotia	1	\$29,979,033,060
Prince Edward Island	1	\$6,238,547,995
Newfoundland and Labrador	1	\$20,279,767,449
Yukon	1	\$3,752,573,987
Northwest Territories	1	\$6,865,708,611
Nunavut	1	\$3,584,449,605
Canada	1	\$333,535,110

“Negative Notice Claims Package” means the Claimant’s Statement of Negative Notice Claim and the form of Notice of Dispute of Negative Notice Claim to be used in the event that the Claimant wishes to raise a dispute in accordance with paragraph 8 of this Order, copies of which documents are attached to this Order as **Schedule “B”**.

“Negative Notice Issuance Date” means the date that the Statement of Negative Notice Claim is sent to a Claimant.

“Non-Released Claims” means all Claims that are not Released Claims and, for greater certainty, includes all Unaffected Claims.

"Notice of Dispute of Negative Notice Claim" means the notice, substantially in the form included in the Negative Notice Claims Package, which may be delivered to the Monitor by a Claimant disputing a Statement of Negative Notice Claim and providing reasons for such dispute.

"Omnibus Notice" means the notice which the Monitor shall cause to be published regarding this Claims Procedure Order and the Meeting, in accordance with the Omnibus Notice Program, a copy of which notice is attached hereto as **Schedule "C"**.

"Omnibus Notice Program" means the plan to publish comprehensive legal notice regarding this Claims Procedure Order and the Meeting to Persons, including Putative Miscellaneous Claimants, situated in all the Provinces and Territories, as set forth on the document attached hereto as **Schedule "D"**.

"Pan-Canadian Claimants", or **"PCCs"**, means Individuals, excluding the Quebec Class Action Plaintiffs in relation to QCAP Claims, who have asserted or may be entitled to assert a PCC Claim. In the CCAA Plan, the terms **"Pan-Canadian Claimants"** and **"PCCs"** are synonymous with the term **"TRW Claimants"** as such term is defined in Schedule **"A"** to the Orders issued in the Tobacco Companies' CCAA Proceedings by the Honourable Justice McEwen on December 9, 2019, and any further Order of the CCAA Court.

"PCC Representative Counsel" means The Law Practice of Wagner & Associates, Inc.

"Person" means an individual, a corporation, a partnership, a limited liability company, a trust, an unincorporated association, a Government, or any other group, entity or body.

"Pre-Implementation Miscellaneous Claim" means an Affected Claim by a Person who is not an Individual Claimant and which Affected Claim is not a: (a) Provincial HCCR Claim, (b) Territorial HCCR Claim, (c) QCAP Claim, (d) PCC Claim, (e) Tobacco Producers Claim, or (f) *Knight* Claim.

"Putative Miscellaneous Claimant" means a Person, other than a Claimant or an Individual Claimant, who asserts a Miscellaneous Claim.

"Quebec Class Action Plaintiffs" or **"QCAPs"** means individuals who meet the criteria of the certified class definitions in the Quebec Class Actions.

"Quebec Class Counsel" means collectively, the law practices of Trudel Johnston & Lespérance, Kugler Kandestin s.e.n.c.r.l., L.L.P., De Grandpré Chait s.e.n.c.r.l., and Fishman Flanz Meland Paquin s.e.n.c.r.l., L.L.P.

"Released Claims" means collectively any and all of the following Claims, excluding Unaffected Claims:

- (a) any Tobacco Claims; and
- (b) any Claims:
 - (i) in respect of the assets, obligations, business or affairs of the Released Parties in Canada or, in the case of Imperial, anywhere else in the world, relating to Tobacco Products, which are based on, arising from or in respect of any conduct, act, omission, transaction, duty, responsibility, indebtedness, liability,

obligation, dealing, fact, matter or occurrence existing or taking place at or prior to the Effective Time (whether or not continuing thereafter);

- (ii) in respect of the CCAA Proceeding and the Chapter 15 Proceedings up to the Effective Time, provided that such Released Party is not determined by (A) a final order of the CCAA Court to have committed fraud in the CCAA Proceeding, or (B) a final order of the US Bankruptcy Court to have committed fraud in the Chapter 15 Proceedings;
- (iii) existing at or prior to the Effective Time that have been advanced, that could have been advanced or could be advanced in the CCAA Proceeding; and
- (iv) released as against the Monitors, CCAA Plan Administrators, Court-Appointed Mediator and Administrative Coordinator pursuant to Article 18, Sections 18.1.4, 18.1.5 and 18.1.6 of the CCAA Plan.

For greater certainty, Released Claims include all Tobacco Claims in respect of fraud, misrepresentation or omission that have been or could have been asserted in any proceeding initiated prior to the Effective Time, including all Claims released by the Release and the Claimant Contractual Releases.

“Secured Claim” means any Claim of a creditor to the extent that it is secured by a valid Encumbrance that is duly and properly registered or otherwise perfected in accordance with Applicable Law in the appropriate jurisdiction as of the Filing Date or thereafter pursuant to an Order, to the extent of the value of such Encumbrance as at the Filing Date (having regard to the value of the assets subject to such Encumbrance and the priority of such Encumbrance) and which Claim is entitled to be proven as a secured claim pursuant to the provisions of the CCAA.

“Statement of Negative Notice Claim” means the respective statements to be prepared by the Monitor, each of which shall contain, for voting purposes, the amount and number of votes ascribed to the Negative Notice Claim of each Claimant.

“Tobacco Claim” means any Claim of any Person against or in respect of a Tobacco Company and/or any Director thereof, or any member of its Tobacco Company Group and/or any Director thereof, that has been advanced (including, without limitation, in any outstanding or pending litigation), that could have been advanced or that could be advanced, and whether such Claim is on such Person’s own account, on behalf of another Person, as a dependent of another Person, or on behalf of a certified or proposed class, or made or advanced by a Government, or an agency, insurer, employer or otherwise, under or in connection with Applicable Law, or under any current or future statute to recover damages or any other remedy or costs in respect of the development, design, manufacture, production, marketing, advertising, distribution, purchase, sale or disposition of Tobacco Products, the use of or exposure (whether directly or indirectly) to Tobacco Products or their emissions, the development of any disease related to the use of Tobacco Products, or any representation or omission in respect of Tobacco Products, including any misrepresentations, breach of duty or fraud in respect thereof by any member of the Tobacco Company Group or its Representatives in Canada or, in the case of the Tobacco Company, anywhere else in the world, in each case based on, arising from or in respect of any conduct, act, omission, transaction, duty, responsibility, indebtedness, liability, obligation, dealing, fact, matter or occurrence existing or taking place at or prior to the Effective Time (whether or not continuing thereafter) and

including any such Claim that is a Section 5.1(2) Claim or Section 19(2) Claim. For greater certainty, Tobacco Claim includes:

- (a) any Provincial HCCR Claim;
- (b) any Territorial HCCR Claim;
- (c) any QCAP Claim;
- (d) any PCC Claim;
- (e) any *Knight* Claim; and
- (f) any Tobacco Producers Claim.

“Tobacco Companies” means, collectively, Imperial, RBH and JTIM, and **“Tobacco Company”** means any one of them.

“Tobacco Company Group” means, in respect of Imperial, its Parent and all other current or former Affiliates, direct or indirect Subsidiaries or parents, of Imperial and their respective indemnitees.

“Tobacco Producers” means, collectively, the Ontario Flue-Cured Tobacco Growers’ Marketing Board, Andy J. Jacko, Brian Baswick, Ron Kichler, Arpad Dobrentey and all other tobacco growers and producers, including any successors or assigns, who sold their tobacco through the Ontario Flue-Cured Tobacco Growers’ Marketing Board pursuant to the annual Heads of Agreement made with ITCAN, RBH and JTIM from January 1, 1986 to December 31, 1996, and **“Tobacco Producer”** means any one of them.

“Unaffected Claims” means, collectively:

- (a) any Alternative Product Claim;
- (b) any Claim by a Person relating to the right to enforce against any Released Party its obligations under any of the Definitive Documents;
- (c) any Claim secured by the CCAA Charges;
- (d) any Cash Management Bank Claim;
- (e) any Employee Priority Claim;
- (f) any Government Priority Claim;
- (g) any Claim in respect of CCAA Plan Administration Reserve Costs;
- (h) any Claim in respect of the PCC Compensation Plan Reserve Costs;
- (i) any Secured Claim that is not a Tobacco Claim;
- (j) any Claim for Costs by the Monitor, the CCAA Plan Administrator, the Claims Administrator, the Administrative Coordinator, the Court-Appointed Mediator,

including their respective legal or other advisors, or counsel to Imperial, subject to the applicable terms in connection therewith under the CCAA Plan;

- (k) any Claim by any Director under any directors' or officers' indemnity policy or agreement with Imperial to the extent not otherwise covered by the CCAA Charges;
- (l) any Intercompany Services Claim;
- (m) any Intercompany Claim, subject to the terms of Article 5, Section 5.16;
- (n) any Claim by a supplier against Imperial for the supply of goods or services other than a Tobacco Claim;
- (o) any Claim against Imperial relating to environmental remediation pursuant to Applicable Law;
- (p) any Claim by Canada or any Province or Territory against any Released Party relating in any manner to:
 - (i) any applicable federal, provincial or territorial sales taxes, federal excise taxes and customs and import duties, federal, provincial and territorial tobacco taxes, and any other taxes of any kind whatsoever applicable to any Released Party, and
 - (ii) such Released Party's compliance with any Applicable Law and statutes and the regulations made thereunder, except for liability for actions or omissions occurring prior to the Effective Time in respect of a Tobacco Claim;
- (q) any Claim in respect of ITCAN's obligation to pay the balance owed under the Comprehensive Agreement dated July 31, 2008 between ITCAN, Canada and the Provinces which settled the claims by Canada and the Provinces against ITCAN regarding the trade of contraband products in Canada and related tax collection matters; and
- (r) any Claim by any Person under any contract with Imperial that has not been disclaimed and which Claim is not a Tobacco Claim;

and, for greater certainty, shall include any Unaffected Claim arising through subrogation.

"Unaffected Creditor" means a Person who has an Unaffected Claim.

4. **THIS COURT ORDERS** that, except where otherwise specified herein, all references as to time herein shall mean local time in Toronto, Ontario, Canada, and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m. (Eastern Time) on such Business Day unless otherwise indicated herein, and any reference to an event occurring on a day that is not a Business Day shall mean the next following day that is a Business Day.

5. **THIS COURT ORDERS** that all references to the word “including” shall mean “including without limitation”, all references to the singular herein include the plural, the plural include the singular, and any gender include all genders.

CLAIMS PROCEDURE FOR NEGATIVE NOTICE CLAIMS

6. **THIS COURT ORDERS** that the Negative Notice Claims Package attached to this Order as Schedule “B” is hereby approved. Notwithstanding the foregoing, the Monitor, in consultation with the Court-Appointed Mediator, may make minor non-substantive changes to the Negative Notice Claims Package as they may consider necessary or desirable.

7. **THIS COURT ORDERS** that as soon as practicable after the date of this Order, the Monitor shall cause a Negative Notice Claims Package to be sent to each Claimant, which shall be deemed to have been received by such Claimant on the Negative Notice Issuance Date.

8. **THIS COURT ORDERS** that if a Claimant wishes to dispute the amount of its Affected Claim for voting purposes and/or the number of votes associated therewith as set forth in the relevant Statement of Negative Notice Claim, the Claimant shall deliver to the Monitor a Notice of Dispute of Negative Notice Claim by no later than the Negative Notice Bar Date, failing which the Claimant shall be conclusively and irrevocably deemed to have accepted the Statement of Negative Notice Claim and the value and number of votes associated with its Affected Claim solely for the purpose of voting on the CCAA Plan at the Meeting.

9. **THIS COURT ORDERS** that the Monitor, in consultation with the Court-Appointed Mediator, shall review any Notice of Dispute of Negative Notice Claim received and shall attempt to resolve such dispute with the relevant Claimant following receipt of the Notice of Dispute of Negative Notice Claim. In the event that the dispute is not settled, the Monitor shall refer the dispute to the CCAA Court, and provide timely notice of such hearing date to the disputing Claimant.

10. **THIS COURT ORDERS** that unless any dispute of a Statement of Negative Notice Claim results in a revision to the value or number of votes associated with the relevant Affected Claim pursuant to the terms of this Order, each of the Claimants shall be entitled to vote at the Meeting in accordance with the value and number of votes set forth on the applicable Statements of Negative Notice Claim.

11. **THIS COURT ORDERS** that, except as may be required by the Meeting Order, no further steps shall be required to be taken by any of the Claimants in order for to them to be able to be present and vote at the Meeting.

CLAIMS PROCEDURE FOR PERSONS, OTHER THAN CLAIMANTS OR INDIVIDUAL CLAIMANTS, TO ASSERT A CLAIM

12. **THIS COURT ORDERS** that the Claims Procedure described hereafter shall apply to allow any Person, other than a Claimant or an Individual Claimant, that files a Miscellaneous Claimant Proof of Claim to be able to attend and vote at the Meeting in accordance with the Meeting Order.

13. **THIS COURT ORDERS** that, save for establishing the entitlement of certain Persons to vote on the CCAA Plan, the Claims Procedure shall not constitute, nor may it be construed as, an acceptance by the CCAA Court, the Court-Appointed Mediator, the Monitor and/or the Applicant of the existence, validity or value of any Claim asserted in a Miscellaneous Claimant Proof of Claim filed thereunder, including for distribution purposes under the CCAA Plan which shall be determined in accordance with the Miscellaneous Claims Procedure.

A. Notification Procedure

14. **THIS COURT ORDERS** that the Claims Package, Omnibus Notice and Omnibus Notice Program, attached to this Order as Schedule "A", Schedule "C" and Schedule "D" respectively, are hereby approved. Notwithstanding the foregoing, the Monitor, in consultation with the Court-Appointed Mediator, may, from time to time, make minor non-substantive changes to these documents as they may consider necessary or desirable.

15. **THIS COURT ORDERS** that the Monitor shall cause this Order, the Omnibus Notice and the Claims Package to be posted to the Monitor's Website within five (5) Business Days following the date of this Order.

16. **THIS COURT ORDERS** that the Monitor shall send the Omnibus Notice, the Claims Package and a copy of this Order to: (i) each Person that appears on the Common Service List within five (5) Business Days following the date of this Order; and (ii) any Person that has identified itself in writing to the Monitor prior to the Miscellaneous Claims Bar Date as a Putative Miscellaneous Claimant, as soon as reasonably practicable thereafter.

17. **THIS COURT ORDERS** that the execution of the steps described herein in paragraphs 14 to 16, as well as reasonable compliance with the notice program set forth in the Omnibus Notice Program, shall constitute good and sufficient service and delivery of notice of this Order and the Miscellaneous Claims Bar Date on all Persons that may be entitled to receive notice and no other notice or service need be given or made and no other document or material need be sent to or served upon any Person in respect of this Order.

B. Miscellaneous Claims Bar Date

18. **THIS COURT ORDERS** that in order for a Person, other than a Claimant or an Individual Claimant, to assert a Claim and be permitted to attend the Meeting and vote thereat, such Person must file a Miscellaneous Claimant Proof of Claim with the Monitor by the Miscellaneous Claims Bar Date.

19. **THIS COURT ORDERS** that only such Persons who have filed a Miscellaneous Claimant Proof of Claim by the Miscellaneous Claims Bar Date shall be entitled to attend and vote on the CCAA Plan at the Meeting as a Putative Miscellaneous Claimant.

20. **THIS COURT ORDERS** that if a Person holding any Pre-Implementation Miscellaneous Claim fails to file a Miscellaneous Claimant Proof of Claim by the Miscellaneous Claims Bar Date, in addition to being barred from attending the Meeting and voting on the CCAA Plan, such Person:

- i. shall be forever barred, estopped and enjoined from asserting any Pre-Implementation Miscellaneous Claim under the Miscellaneous Claims Procedure;
- ii. shall not be entitled to receive any distribution under the CCAA Plan in respect of any such Pre-Implementation Miscellaneous Claim, including from the Miscellaneous Claims Fund; and
- iii. shall be bound by and subject to the Release and injunctions set forth in Article 18, Section 18.1 of the CCAA Plan in respect of any such Pre-Implementation Miscellaneous Claim.

21. **THIS COURT ORDERS** that the filing by any Person of a Miscellaneous Claimant Proof of Claim as provided herein shall not constitute a determination of the existence, validity or value of such Miscellaneous Claim and shall not entitle such Person to any distribution under the CCAA Plan, or otherwise. For certainty, subject to paragraph 20 of this Order, provided that the CCAA

Plan is approved by the Affected Creditor Class, sanctioned by the CCAA Court, and implemented, any Person who purports to have a Miscellaneous Claim shall be obliged to follow the procedure set forth in the Miscellaneous Claims Procedure to prove the existence, validity and value of such Miscellaneous Claim.

22. **THIS COURT ORDERS** that all dollar amounts herein are in Canadian currency. Any Miscellaneous Claimant Proof of Claim in a foreign currency that is filed with the Monitor shall be converted by the Monitor to Canadian dollars at the applicable Bank of Canada exchange rate at 12:00 pm on March 8, 2019.

MONITOR'S ROLE FOR PURPOSES OF THE MEETING AND THE VOTE

23. **THIS COURT ORDERS** that, in addition to its prescribed rights, duties, responsibilities and obligations under the CCAA, the Initial Order and any other Orders of the Court in these CCAA Proceedings, the Monitor shall administer the Claims Procedure and is hereby authorized, directed and empowered to take such other actions and fulfill such other roles as are authorized by this Order or incidental thereto.

24. **THIS COURT ORDERS** that the Monitor shall seek such assistance as may be reasonably required from the Court-Appointed Mediator, the Applicant and the Claimants, as applicable, to carry out the terms of this Order.

25. **THIS COURT ORDERS** that the Monitor shall incur no liability or obligation whatsoever arising from or out of in whole or in part any act, omission, duty, responsibility, obligation, dealing or other occurrence in any way connected to its actions as an officer of the CCAA Court carrying out its mandate in this CCAA Proceeding, including without limitation the carrying out of the provisions of this Order. The Monitor shall have all of the protections given to it by the CCAA, any other applicable legislation, including pursuant to Section 142 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, the Initial Order, this Order and any other Orders of the CCAA Court made in this CCAA Proceeding. All Claims arising out of the Monitor's actions or omissions shall be forever waived and released to the fullest extent permitted by applicable law.

26. **THIS COURT ORDERS** that the Court-Appointed Mediator shall incur no liability or obligation whatsoever arising from or out of in whole or in part any act, omission, duty, responsibility, obligation, dealing or other occurrence in any way connected to his actions as an officer of the CCAA Court carrying out his mandate as a neutral third party to mediate a global

settlement in this CCAA Proceeding, including without limitation the carrying out of the provisions of this Order. The Court-Appointed Mediator shall have all of the protections given to him by the CCAA, any other applicable legislation, including pursuant to Section 142 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, the Initial Order, this Order and any other Orders of the CCAA Court made in this CCAA Proceeding. In particular, the Court-Appointed Mediator shall have the immunity of a Judge of a Superior Court in Canada. All Claims arising out of the Court-Appointed Mediator's actions or omissions shall be forever waived and released to the fullest extent permitted by applicable law.

27. **THIS COURT ORDERS** that the Monitor shall receive and keep a record of all Miscellaneous Claimant Proofs of Claim filed in order to prepare a list of Persons, in addition to the Claimants, entitled to attend and vote at the Meeting, but the Monitor shall not be required to make any inquiry or assessment as to the validity or quantification of any such Miscellaneous Claimant Proofs of Claim that it may receive, provided that the Monitor shall be entitled, in its sole discretion, to seek further direction from this Court with respect to any Miscellaneous Claimant Proof of Claim filed if the Monitor considers such direction necessary, including for the conduct of the Meeting.

28. **THIS COURT ORDERS** that, notwithstanding the foregoing, the Monitor shall not take into consideration any Miscellaneous Claimant Proof of Claim filed either by an Individual Claimant or on behalf of any group of Individual Claimants, as all Individual Claimants are represented by either the PCC Representative Counsel or the Quebec Class Counsel, as the case may be. For greater certainty, no Individual Claimant nor any Person purporting to represent any Individual Claimants (other than PCC Representative Counsel and Quebec Class Counsel) shall be permitted to attend or vote at the Meeting.

29. **THIS COURT ORDERS** that at the Meeting, the Monitor shall keep distinct ledgers in order to tally the votes of all Persons that file a Miscellaneous Claimant Proof of Claim separately from the votes of the Claimants, and it shall report to the CCAA Court on the results recorded on each such ledger at the Sanction Hearing.

30. **THIS COURT ORDERS** that notwithstanding the foregoing, and without accepting the existence, validity or value of any Miscellaneous Claimant Proof of Claim received, any votes recorded by the Monitor for such Persons shall be deemed to be included in the Affected Creditor Class in accordance with the Meeting Order.

GENERAL PROVISIONS

31. **THIS COURT ORDERS** that notwithstanding any other provisions of this Order, the solicitation of Miscellaneous Claimant Proofs of Claim, and the filing by any Person of any Miscellaneous Claimant Proof of Claim, shall not grant such Person any rights, including without limitation, in respect of the nature, quantum and priority of its Claims or its standing in the CCAA Proceeding, except the rights specifically set out in this Order.

32. **THIS COURT ORDERS** that any notice or other communication (including, without limitation, Miscellaneous Claimant Proofs of Claim) to be filed under this Order with the Monitor will be sufficiently filed only if delivered by prepaid ordinary mail, courier, personal delivery or electronic or digital transmission addressed to:

FTI Consulting Canada Inc.
Attn: Imperial Tobacco Monitor
TD South Tower
79 Wellington Street West
Suite 2010, P.O. Box 104
Toronto, Ontario M5K 1G8
Email: imperialtobacco@fticonsulting.com

33. **THIS COURT ORDERS** that the Monitor, in consultation with the Court-Appointed Mediator, is hereby authorized to use its reasonable discretion as to the adequacy of compliance with respect to the manner and timing in which forms delivered hereunder are completed and executed, and may, where it is satisfied that a Miscellaneous Claimant Proof of Claim has been adequately filed, waive strict compliance with the requirements of this Order as to completion and execution of such forms. Notwithstanding any other provision of this Order, any Miscellaneous Claimant Proof of Claim filed with the Monitor after the Miscellaneous Claims Bar Date but prior to the Meeting may, in the reasonable discretion of the Monitor or subject to further Order of the Court, be deemed to have been filed before the Miscellaneous Claims Bar Date, and may be treated by the Monitor in accordance with the process set out in this Order.

AID AND RECOGNITION

34. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body or agency having jurisdiction in Canada or in any other foreign jurisdiction, to give effect to this Order and to assist the Court-Appointed Mediator and the Monitor, in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies

and agencies are hereby respectfully requested to make such Orders and to provide such assistance, as may be necessary or desirable to give effect to this Order or to assist the Court-Appointed Mediator and the Monitor and their respective agents in carrying out the terms of this Order.



Chief Justice Geoffrey B. Morawetz

SCHEDULE "A"
CLAIMS PACKAGE

A-1 - MISCELLANEOUS CLAIMS INSTRUCTION LETTER

IN THE MATTER OF THE CCAA PROCEEDINGS OF IMPERIAL TOBACCO CANADA LIMITED and IMPERIAL TOBACCO COMPANY LIMITED (collectively, the "APPLICANT")

PLEASE TAKE NOTICE that this Instruction Letter is being provided pursuant to an order of the Honourable Chief Justice Morawetz of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated October 31, 2024 (the "**Claims Procedure Order**"). All capitalized terms not otherwise defined in this Instruction Letter shall bear the meaning given to them in the Claims Procedure Order, which is posted on the website of the Monitor at <http://cfcanada.fticonsulting.com/imperialtobacco/> (the "**Monitor's Website**").

Claims Procedure

This Claims Procedure only applies to Persons, other than a Claimant or an Individual Claimant, who asserts a Miscellaneous Claim to be able to attend and vote on the Applicant's CCAA Plan.

"**Miscellaneous Claims**" means collectively:

- (a) any Pre-Implementation Miscellaneous Claim;
- (b) any Section 5.1(2) Claim, in respect of which the Person holding such Claim, or an authorized Person on their behalf, has not executed and delivered, or will not execute and deliver, a Claimant Contractual Release;
- (c) any Section 19(2) Claim in regard to which the compromise or arrangement in respect of Imperial explicitly provides for the Section 19(2) Claim's compromise, and the Person holding such Claim, or an authorized Person on their behalf, has not voted, or will not vote, for the acceptance of the compromise or arrangement, or otherwise execute and deliver a Claimant Contractual Release; and
- (d) any other Claim in respect of Imperial (excluding any Unaffected Claim) which is received by the Monitor and asserted against any Released Party based on, arising from or in respect of any conduct, act, omission, transaction, duty, responsibility, indebtedness, liability, obligation, dealing, fact, matter, or occurrence existing or taking place at or prior to the Effective Time (whether or not continuing thereafter) by a Person who asserts that such Claim will not be or, if asserted after the Effective Time, has not been compromised and fully, finally and irrevocably and unconditionally released and forever discharged, and permanently barred and enjoined pursuant to the terms of the CCAA Plan, the Claims Procedure Order, the Sanction Order or any other Order made in the CCAA Proceeding, and in accordance with Article 18, Section 18.2.3 of the CCAA Plan, the CCAA Court grants leave for such Person to bring such Claim for determination on its merits by the CCAA Court.

The existence of any such Miscellaneous Claims is not admitted but is expressly denied by Imperial, its Tobacco Company Group and the Claimants. For greater certainty, no Claimant or Individual Claimant may assert a Miscellaneous Claim.

“Claimants” means the Provinces and Territories, Quebec Class Action Plaintiffs, Pan-Canadian Claimants, *Knight* Class Action Plaintiffs and Tobacco Producers.

“Individual Claimants” means all individuals who have asserted or may be entitled to assert a Tobacco Claim, which individuals are either Pan-Canadian Claimants or Quebec Class Action Plaintiffs and are represented in this CCAA Proceeding by either the PCC Representative Counsel or the Quebec Class Counsel respectively.

If you wish to assert a Miscellaneous Claim to be entitled to vote on the Applicant’s CCAA Plan at the Meeting, you must file a Miscellaneous Claimant Proof of Claim by 5:00 p.m. (Eastern Time) on the Miscellaneous Claims Bar Date, being December 5, 2024.

Any Person that does not file a Miscellaneous Claimant Proof of Claim by the Miscellaneous Claims Bar Date as provided in the Claims Procedure Order shall not be entitled to attend or vote on the CCAA Plan at the Meeting.

Please note that the filing by any Person of a Miscellaneous Claimant Proof of Claim shall not constitute a determination of the existence, validity or value of such Miscellaneous Claim and shall not entitle such Person to any distribution under the CCAA Plan, or otherwise. For certainty, provided that the CCAA Plan is approved by the Affected Creditor Class, sanctioned by the Court, and implemented, any Person who purports to have a Miscellaneous Claim shall be entitled to assert a Miscellaneous Claim for a period of two years following the issuance of the Sanction Order and to do so shall be obliged to follow the Miscellaneous Claims Procedure set forth in the CCAA Plan to prove the existence, validity and value of such Miscellaneous Claim.

If you have any questions regarding the Claims Procedure, please contact the Monitor at the following address:

FTI Consulting Canada Inc.
Attn: Imperial Tobacco Monitor
TD South Tower
79 Wellington Street West
Suite 2010, P.O. Box 104
Toronto, Ontario M5K 1G8
Email: imperialtobacco@fticonsulting.com

Additional Miscellaneous Claimant Proof of Claim forms can be found on the Monitor’s Website or obtained by contacting the Monitor at the address indicated above and providing particulars as to your name, address, and e-mail address. Once the Monitor has this information, you will receive, as soon as practicable, a Miscellaneous Claimant Proof of Claim form.

The Miscellaneous Claimant Proof of Claim form must include a written summary of the asserted Miscellaneous Claim, including a description of the claim and the basis therefor, the nature of the claim (as it relates to the definition of Miscellaneous Claims), and support for the amount of the Miscellaneous Claim asserted.

If you are submitting your Miscellaneous Claimant Proof of Claim electronically, please submit it to the email address provided above in PDF format and ensure the name of the file is **[legal name of Putative Miscellaneous Claimant]poc.pdf**.

A-2 - MISCELLANEOUS CLAIMANT PROOF OF CLAIM

(See Miscellaneous Claims Instruction Letter for instructions)

IN THE MATTER OF THE CCAA PROCEEDINGS OF IMPERIAL TOBACCO CANADA LIMITED and IMPERIAL TOBACCO COMPANY LIMITED (collectively, the “**APPLICANT**”)

Regarding the Miscellaneous Claim of _____
(referred to in this form as the “**Putative Miscellaneous Claimant**”).

All notices or correspondence regarding this claim to be forwarded to the Putative Miscellaneous Claimant at the following address:

Representative: _____

Telephone Number: _____

Email Address: _____

(All future correspondence will be delivered to the designated email address unless the Putative Miscellaneous Claimant specifically requests that hardcopies be provided by checking the box below)

☐ Please provide hardcopies of materials to the address above.

I, _____ (name of the representative of the Putative Miscellaneous Claimant), of _____ (City, Province) do hereby certify that:

1. I am _____ (state position/title) of the Putative Miscellaneous Claimant.
2. I have knowledge of the circumstances connected with the Miscellaneous Claim referred to in this form.

3. The Putative Miscellaneous Claimant asserts that it holds a Miscellaneous Claim (as defined in the Claims Procedure Order) in the amount of CDN\$ _____ (*insert CDN \$ value of claim*).¹
4. Provide a written summary of the asserted Miscellaneous Claim, including a description of the claim and the basis therefor, the nature of the claim (as it relates to the definition of Miscellaneous Claim), and support for the amount of the Miscellaneous Claim asserted:

Please attach any documentation supporting your Miscellaneous Claim. You may also attach a separate schedule if more space is required to describe your claim. Please clearly mark all attachments as schedules to your Miscellaneous Claimant Proof of Claim.

DATED in _____ (city) this _____ (date) day of _____ (month), 2024

I hereby certify that:

1. I am a duly authorized representative of the Putative Miscellaneous Claimant;
2. I have knowledge of the circumstances connected with the Miscellaneous Claim; and
3. All information and/or documents submitted herewith are true, accurate and complete.

Name of Putative Miscellaneous Claimant:

Witness:

Signature: _____

(Signature)

Name: _____

(Print Name)

Title: _____

¹ Amounts in foreign currency will be converted to Canadian Dollars by the Monitor at the rate set out in the Claims Procedure Order.

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SCHEDULE "B"**NEGATIVE NOTICE CLAIMS PACKAGE****B-1 - STATEMENT OF NEGATIVE NOTICE CLAIM**

For Negative Notice Claims against Imperial Tobacco Canada Limited and Imperial Tobacco Company Limited (collectively, "**Imperial**")

Issuance Date: [●], 2024

In accordance with the Claims Procedure Order,² the present Statement sets forth the value and number of votes associated with the Claimant's Affected Claim, for the sole purpose of establishing the Claimant's right to vote at the Meeting of Affected Creditors (the "**Meeting**"), the whole as set forth in the CCAA Plan:³

Name of Claimant:	_____
Number of Votes:	_____
Value of Claim:	_____

The above determinations do not affect any other right or entitlement accruing to the Claimant in respect of the CCAA Plan.

In accordance with the Claims Procedure Order, the Claimant shall have twenty-one (21) days from the Issuance Date hereof (referenced above) to file a Notice of Dispute of Negative Notice Claim, failing which the Claimant shall be conclusively and irrevocably deemed to have accepted, solely for voting purposes at the Meeting, the value and number of votes associated with its Affected Claim.

UNLESS THE MONITOR RECEIVES A NOTICE OF DISPUTE OF NEGATIVE NOTICE CLAIM WITHIN THE PRESCRIBED TIME-PERIOD, THE CLAIMANT WILL HAVE NO FURTHER RIGHT TO DISPUTE THE DETERMINATIONS MADE HEREIN FOR VOTING PURPOSES.

FTI Consulting Canada Inc., in its capacity as
Monitor to Imperial

² Capitalized terms used but not defined in this Statement of Negative Notice Claim (the "**Statement**") shall have the meanings ascribed to them in the Order of the Ontario Superior Court of Justice (Commercial List) in the CCAA proceedings of Imperial dated October 31, 2024 (the "**Claims Procedure Order**").

³ The Court-Appointed Mediator and Monitor's Plan of Compromise and Arrangement in respect of Imperial dated October 17, 2024.

B-2 - NOTICE OF DISPUTE OF NEGATIVE NOTICE CLAIM**For Negative Notice Claims against Imperial Tobacco Canada Limited and Imperial Tobacco Company Limited**

Capitalized terms used but not defined in this Notice of Dispute of Negative Notice Claim shall have the meanings ascribed to them in the Order of the Ontario Superior Court of Justice (Commercial List) in the CCAA proceedings of Imperial Tobacco Canada Limited and Imperial Tobacco Company Limited dated October 31, 2024 (the “**Claims Procedure Order**”).

You can obtain a copy of the Claims Procedure Order on the Monitor’s website at <http://cfcanada.fticonsulting.com/imperialtobacco/>

1. Particulars of the Claimant:

Name of Claimant: _____

Representative: _____

Telephone Number: _____

Email Address: _____

2. Dispute of Negative Notice Claim:

The Claimant refers to the Statement of Negative Notice Claim issued to it by the Monitor on _____ (the “**Statement**”).

The Claimant disagrees with the Statement, in respect of the:

☐ Value of the Claim stipulated in the Statement, which the Claimant asserts should be \$_____.

☐ Number of votes attributed to the Claim stipulated in the Statement, which the Claimant asserts should be _____.

[Check the box or boxes that apply to your dispute, and fill in the blank space indicated with the value and/or number of votes the Claimant is asserting, as applicable]

3. Reasons for Dispute:

Describe the reasons and basis for your dispute of the Statement. You may attach a separate schedule if more space is required.

Provide any applicable documentation supporting your dispute. Any particulars provided should support the number of votes and/or value of the Claim as asserted by you in section 2, above.

DATED in _____ (city) this _____ (date) day of _____ (month), 2024

I hereby certify that:

1. I am a duly authorized representative of the Claimant;
2. I have knowledge of the circumstances connected with the Claim; and
3. All information and/or documents submitted by the Claimant in support of its Notice of Dispute of Negative Notice Claim are true, accurate and complete.

Name of Claimant: _____

Signature: _____

Name: _____

Title: _____

Witness: _____

(Signature)

(Print Name)

This Notice of Dispute of Negative Notice Claim MUST be received by the Monitor no later than 5:00 p.m. (Eastern Time) on the Negative Notice Bar Date, being twenty-one (21) days following the Issuance Date of the Statement.

The Notice of Dispute of Negative Notice Claim must be delivered to the Monitor by registered mail, personal delivery, courier or email (in PDF format) at the address below:

FTI Consulting Canada Inc.
Attn: Imperial Tobacco Monitor
TD South Tower
79 Wellington Street West
Suite 2010, P.O. Box 104
Toronto, Ontario M5K 1G8
Email: imperialtobacco@fticonsulting.com

IF A NOTICE OF DISPUTE OF NEGATIVE NOTICE CLAIM IS NOT RECEIVED BY THE MONITOR WITHIN THE PRESCRIBED TIME PERIOD, THE CLAIMANT SHALL BE CONCLUSIVELY AND IRREVOCABLY DEEMED TO HAVE ACCEPTED THE STATEMENT OF NEGATIVE NOTICE AND THE VALUE AND NUMBER OF VOTES ASSOCIATED WITH ITS AFFECTED CLAIM SOLELY FOR THE PURPOSE OF VOTING AT THE MEETING.

SCHEDULE "C"**OMNIBUS NOTICE FOR NON-INDIVIDUAL CLAIMANTS**

**IN THE MATTER OF THE COMPANIES' CREDITORS
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF THE PLANS OF COMPROMISE OR ARRANGEMENT
OF:**

**IMPERIAL TOBACCO CANADA LIMITED AND IMPERIAL TOBACCO COMPANY
LIMITED**

ROTHMANS, BENSON AND HEDGES INC.

JTI-MACDONALD CORP.

**NOTICE FOR NON-INDIVIDUAL CLAIMANTS OF CLAIMS PROCEDURE AND
CREDITORS' MEETINGS**

IMPORTANT NOTE FOR INDIVIDUALS: Individuals who have suffered damages resulting from the use or consumption of Tobacco Products, including cigarettes, do not need to do anything at this time to preserve their rights. If the CCAA Plans are approved, separate claims processes will commence at a later date for individuals to file claims for compensation. Accordingly, this notice is solely for non-Individual Claimant.

PLEASE TAKE NOTICE that on October 17, 2024, the Honourable Warren K. Winkler, K.C., in his capacity as the Court-appointed mediator (the "**Court-Appointed Mediator**") in the CCAA Proceedings of Imperial Tobacco Canada Limited and Imperial Tobacco Company Limited (collectively, "**Imperial**"), Rothmans, Benson and Hedges Inc. ("**RBH**") and JTI-Macdonald Corp. ("**JTIM**") and collectively with Imperial and RBH, the "**Tobacco Companies**" or "**Applicants**") and FTI Consulting Canada Inc. ("**FTI**"), Ernst & Young Inc. ("**EY**"), and Deloitte Restructuring Inc. ("**Deloitte**"), in their respective capacities as Court-appointed monitors to Imperial, RBH and JTIM (FTI, EY and Deloitte, collectively, the "**Monitors**"), filed plans of compromise and arrangement in respect of each of the Tobacco Companies (the "**CCAA Plans**") under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**").

PLEASE ALSO TAKE NOTICE that on October 31, 2024, the Court-Appointed Mediator and the Monitors obtained the following orders from the Ontario Superior Court of Justice (Commercial List) (the "**CCAA Court**"):

- A claims procedure order (the "**Claims Procedure Order**") which, *inter alia*, establishes the procedure pursuant to which Claimants, as well as any other purported creditors of the

Tobacco Companies can assert a Claim in order to obtain the right to attend the meetings of Affected Creditors (the “**Meetings**”) and vote on the CCAA Plans; and

- A meeting order that, *inter alia*, accepts the filing of the CCAA Plans, approves the meeting materials, and directs the Monitors as to the conduct of the Meetings (the “**Meeting Order**”).

The CCAA Plans, Claims Procedure Order and Meeting Order are available for review on the Monitors’ websites, at the links referenced at the end of this Notice in section (v) hereof: *Questions and Contact Information* (the “**Monitors’ Websites**”).

All capitalized terms used in this Notice that are not defined herein have the meanings given to them in the CCAA Plans (available on the Monitors’ Websites).

(i) **Key information**

a. Dates

In accordance with the Claims Procedure Order, the Miscellaneous Claims Bar Date, being the date on which Persons other than Claimants and Individual Claimants, must file their Miscellaneous Claimant Proof of Claim in order to be able to attend and vote at the Meetings, is December 5, 2024.

Claimants who receive a Statement of Negative Notice Claim and wish to dispute same must file a Notice of Dispute of Negative Notice Claim by the Negative Notice Bar Date, which is twenty-one (21) days following the Issuance Date of the Statement of Negative Notice Claim.

In accordance with the Meeting Order, the Meetings shall be held on December 12, 2024.

Only Claimants, as well as Persons who file a Miscellaneous Claimant Proof of Claim before the Miscellaneous Claims Bar Date, shall be entitled to attend the Meetings and vote on the CCAA Plans.

b. Information for Individuals

All individuals with a Tobacco Claim against one or more Applicants (collectively, the “**Individual Claimants**”) are already represented in this matter either by the Quebec Class Counsel, in the case of the Quebec Class Action Plaintiffs (the “**QCAPs**”), or by the PCC Representative Counsel, in the case of the Pan-Canadian Claimants (the “**PCCs**”). If you are an Individual Claimant, such counsel will attend the Meetings and vote on the CCAA Plans on your behalf. **Accordingly, Individual Claimants cannot file proofs of claim, attend the Meetings, nor vote on the CCAA Plans.**

Please note that Individual Claimants are not required to take any actions at this time to preserve their rights.

If the CCAA Plans are approved at the Meetings and sanctioned by the CCAA Court, there will be separate administrative processes for QCAPs and PCCs to file claims for the purpose of receiving the distributions provided for in the CCAA Plans. New notices will be issued and publicized in the future before these claims processes for Individual Claimants will commence.

(ii) Background and Overview of the CCAA Plans

In March 2019, the Tobacco Companies each sought and obtained protection from their creditors pursuant to Initial Orders rendered by the CCAA Court.

Following a lengthy mediation process involving the Tobacco-Companies and the Claimants (the “**Mediation**”), and in accordance with an Order of the CCAA Court, the Court-Appointed Mediator and the Monitors developed CCAA Plans in respect of each Tobacco Company.

The CCAA Plans provide for the payment by the Tobacco Companies of a global amount of \$32.5 billion over time (the “**Global Settlement Amount**”).

Subject to the aforementioned approvals, and in accordance with the terms of the CCAA Plans, the Global Settlement Amount will be allocated to and among eligible Individual Claimants (comprising QCAPs and PCCs), Provinces and Territories, a public charitable foundation (Cy-près Foundation) and certain Tobacco Producers.

In respect of Individual Claimants, there will be two separate claims processes established pursuant to the CCAA Plans; namely, the Quebec Class Action Administration Plan and the PCC Compensation Plan (each schedules to the CCAA Plans).

A Miscellaneous Claims Fund will also be established pursuant to the CCAA Plans to provide potential distributions to any other Persons who may purport to have a Miscellaneous Claim (the “**Putative Miscellaneous Claimants**”).

(iii) The Claims Procedure

The Claims Procedure sets forth the process pursuant to which (i) Claimants and (ii) Putative Miscellaneous Claimants, if any, may attend and vote at the Meetings.

For greater certainty, no Individual Claimants or Unaffected Creditors in respect of Unaffected Claims shall be entitled to attend the Meetings or vote on the CCAA Plans.

a. Claimants

The Claimants consist of the (i) QCAPs, (ii) PCCs, (iii) Provinces and Territories, (iv) Tobacco Producers, and, in the case of Imperial only, (v) *Knight* Class Action Plaintiffs.

In accordance with the Claims Procedure Order, the Monitors will send to each of the Claimants a Statement of Negative Notice Claim, and the Claimants will have until the Negative Notice Bar Date to dispute the determinations set forth therein by filing a Notice of Dispute of Negative Notice

Claim. Failing receipt of a Notice of Dispute of Negative Notice Claim by the Negative Notice Bar Date, a Claimant will be conclusively and irrevocably deemed to have accepted the Statement of Negative Notice Claim and the value and number of votes associated with its Affected Claim solely for voting at the Meetings.

Please note that these determinations in respect of the Claimants are for voting purposes only. All entitlements to distributions from the Global Settlement Amount are governed by the CCAA Plans.

b. *Putative Miscellaneous Claimants*

In order to give Putative Miscellaneous Claimants, if any, the opportunity to vote on the CCAA Plans, the Claims Procedure Order also sets forth the process by which any Person (excluding any Individual Claimant or group of Individual Claimants), may file a Miscellaneous Claimant Proof of Claim. A copy of the Claims Package (including an Instruction Letter and the form of Miscellaneous Claimant Proof of Claim) is available on the Monitors' Websites.

The Miscellaneous Claims Bar Date is 5:00 pm (Eastern Time) on December 5, 2024.

In accordance with the Claims Procedure Order, all Persons, other than Claimants or Individual Claimants, who wish to assert a Claim must file a Miscellaneous Claimant Proof of Claim before the Miscellaneous Claims Bar Date in order to be permitted to attend the Meetings and vote on the CCAA Plans.

Please take note that this Claims Procedure is for no purpose other than to determine eligibility to vote at the Meetings and, as such, the Monitors will not make any inquiry or assessment as to the validity or quantification of any Miscellaneous Claimant Proof of Claim that they may receive. Putative Miscellaneous Claimants, if any, that file a Miscellaneous Claimant Proof of Claim will be permitted to attend the Meetings and vote on the CCAA Plans in the Affected Creditor Class of each Applicant for the value referenced on their Miscellaneous Claimant Proof of Claim. Such votes, if any, will be recorded by the Monitors on a separate ledger from the votes of the Claimants.

Pursuant to the CCAA Plans, any Person purporting to have a Miscellaneous Claim will still be required to follow the Miscellaneous Claims Procedure outlined in Section 18.2 of the CCAA Plans in order to make a claim for compensation, including, without limitation, the requirement of first obtaining leave from the CCAA Court in order to assert a Miscellaneous Claim. Any compensation that may be determined to be due in respect of a Miscellaneous Claim will be payable exclusively from the Miscellaneous Claims Fund.

(iv) The Meeting Order

The Meeting Order stipulates, *inter alia*, that:

- the Meetings will be held by videoconference as follows:

Tobacco Company	Meeting Date and Time
Imperial	December 12, 2024 at 11:00 a.m.
RBH	December 12, 2024 at 1:00 p.m.
JTIM	December 12, 2024 at 3:00 p.m.

- PCC Representative Counsel are authorized to vote on behalf of all PCCs, Quebec Class Counsel are authorized to vote on behalf of all QCAPs, Counsel for the Tobacco Producers are authorized to vote on behalf of all Tobacco Producers, and *Knight* Class Counsel are authorized to vote on behalf of all *Knight* Class Action Plaintiffs;
- there will be a single Affected Creditor Class for each Applicant and the Monitors shall record the Claimants' votes and the Putative Miscellaneous Claimants' votes, if any, on separate ledgers;
- the Monitors will report on the results of the votes to the CCAA Court prior to the Sanction Hearing; and
- in the event that the CCAA Plans are approved by the Affected Creditor Class, the Sanction Hearing will be scheduled on a date to be approved by the CCAA Court.

(v) Questions and Contact Information

If you have any questions with respect to the foregoing, you may contact the Monitors as follows:

- Imperial: Monitor: FTI Consulting Canada Inc.
 - Website: <http://cfcanada.fticonsulting.com/imperialtobacco>
 - Phone Number: 1-844-707-7558
 - Email Address: imperialtobacco@fticonsulting.com
- RBH: Monitor: Ernst & Young Inc.
 - Website: www.ey.com/ca/rbh
 - Phone Number: 1-866-943-2280
 - Email Address: rbh@ca.ey.com
- JTI: Monitor: Deloitte Restructuring Inc.
 - Website: www.insolvencies.deloitte.ca/en-ca/JTIM

- Phone Number: 1-833-765-1452
- Email Address: jtim@deloitte.ca

SCHEDULE "D"**OMNIBUS NOTICE PROGRAM**

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1. The purpose of the Omnibus Notice Program (the "**Notice Program**") is to provide Persons⁴ in the Provinces and Territories with notice of: (a) the Claims Procedure to be conducted by the Monitors in accordance with the Claims Procedure Order to invite Putative Miscellaneous Claimants, if any, to file Miscellaneous Claimant Proofs of Claim for the purpose of attending and voting at the Meetings, and (b) the schedule of the Meetings to be convened to vote on the CCAA Plans in accordance with the Meeting Order.
 2. The Notice Program shall include the dissemination of information and instructions contained in the Omnibus Notice approved by the CCAA Court pursuant to the Claims Procedure Order.
 3. The Notice Program is intended to provide Persons in Canada, including notably Putative Miscellaneous Claimants, with reasonable information regarding the filing of Miscellaneous Claimant Proofs of Claim as well as notice of the Miscellaneous Claims Bar Date by which time such Miscellaneous Claimant Proofs of Claim must be filed, failing which no Person purporting to have a Miscellaneous Claim shall be entitled to attend or vote at the Meetings.
 4. The Notice Program is also intended to communicate, in easy to understand language, that individuals with Tobacco Claims (or Persons representing groups of such individuals) shall not be entitled to participate in the Claims Procedure nor attend or vote at the Meetings. Furthermore, the Notice Program shall inform individuals that they will be represented at the Meetings by PCC Representative Counsel or Quebec Class Counsel, as the case may be, who will vote on their behalf, and that the claims processes in respect of distributions of compensation to eligible QCAPs or PCCs will only be conducted at a future date after new notice has been provided in connection therewith.

⁴ All capitalized terms used herein shall have the meanings given to them in the form of Omnibus Notice attached as Schedule "C" to the Claims Procedure Order, including by cross-reference.

5. The Omnibus Notice shall be available and published in both French and English.
6. The Notice Program shall include the following steps and initiatives to reach as many targeted Persons as reasonably possible in a cost effective manner:
 - i) Within five (5) Business Days following the issuance of the Claims Procedure Order, the Monitors shall send by email to all Persons on the Common Service List a copy of (a) the Claims Procedure Order, (b) the Meeting Order, and (c) the Omnibus Notice (collectively, the “**Claims Procedure Documents**”). To avoid duplication, the Monitors, acting together, will only send one set of the Claims Procedure Documents to each such Person;
 - ii) The Monitors shall also use their best efforts to send a copy of the Claims Procedure Documents to any Person, other than those on the Common Service List, that has identified itself in writing to a Monitor prior to the Miscellaneous Claims Bar Date as a Putative Miscellaneous Claimant, as soon as reasonably practicable thereafter; and
 - iii) The Monitors shall include on each of their websites, *inter alia*, copies of the Claims Procedure Documents, including the form of Miscellaneous Claimant Proof of Claim and the Instruction Letter, as well as any other documents deemed appropriate by the Monitors, in their discretion, to publicize the Claims Procedure, the Miscellaneous Claims Bar Date and the scheduling of the Meetings.
7. The Monitors, acting together, shall publish, within five (5) Business Days of the Claims Procedure Order or as soon as practical thereafter, and then one week later, a condensed version of the Omnibus Notice substantially in the form as set out in Appendix “A” attached hereto, in the Globe and Mail (National Edition), National Post (National Edition) and in Le Devoir newspapers. They shall also publish once, within ten (10) Business Days of the Claims Procedure Order or as soon as practical thereafter, the condensed version of the Omnibus Notice in the regional newspapers in each Province and Territory as set out in Appendix “B” attached hereto.

8. Each of the Monitor's websites shall be updated to include relevant and easy to understand information regarding the Claims Procedure, including prominent warnings that any Miscellaneous Claimant Proof of Claim must be filed with the Monitor prior to the Miscellaneous Claims Bar Date.
9. The Monitors, acting reasonably, may, but shall not be obliged to, utilize such other methods that they deem appropriate and cost effective, to inform Persons in Canada of the Claims Procedure and the scheduling of the Meetings.

Appendix "A"**Condensed Omnibus Notice****NOTICE FOR NON-INDIVIDUAL CLAIMANTS OF CLAIMS PROCEDURE AND
CREDITORS' MEETINGS****IN THE CCAA PROCEEDINGS OF:**

IMPERIAL TOBACCO CANADA LIMITED and IMPERIAL TOBACCO COMPANY LIMITED (together, "Imperial"); ROTHMANS, BENSON AND HEDGES INC. ("RBH"); and JTI-MACDONALD CORP. ("JTIM")

IMPORTANT NOTE FOR INDIVIDUAL CLAIMANTS: Individuals who have suffered damages resulting from the use or consumption of Tobacco Products, including cigarettes, do not need to do anything at this time to preserve their rights. If the CCAA Plans are approved, separate claims processes will commence at a later date for individuals to file claims for compensation. Accordingly, this notice is solely for non-Individual Claimants.

All capitalized terms in this notice have the meanings ascribed to them in the CCAA Plans, which can be found on the Monitors' Websites, links for which are provided at the end of this notice. A more detailed version of this notice is also available on the Monitors' Websites.

PLEASE TAKE NOTICE that on October 17, 2024, the Court-Appointed Mediator in the CCAA Proceedings of Imperial, RBH and JTIM (the "**Tobacco Companies**"), together with the Monitors of the Tobacco Companies, filed a CCAA Plan in respect of each Tobacco Company.

PLEASE ALSO TAKE NOTICE that on October 31, 2024, the CCAA Court issued (i) a Claims Procedure Order, which sets forth the process pursuant to which Claimants and Putative Miscellaneous Claimants, if any, may attend the Meetings and vote on the CCAA Plans; and (ii) a Meeting Order that, amongst other things, accepts the filing of the CCAA Plans and establishes the date and times of the Meetings of Affected Creditors to vote on such CCAA Plans.

(i) The CCAA Plans

The CCAA Plans provide for the payment over time by the Tobacco Companies of a Global Settlement Amount of \$32.5 billion, which is to be allocated between the Claimants (and the Miscellaneous Claims Fund); namely, the Quebec Class Action Plaintiffs (QCAPs), Pan-Canadian Claimants (PCCs), *Knight* Class Action Plaintiffs, the Provinces and Territories, certain Tobacco Producers, as well as a public charitable foundation (Cy-près Foundation).

The CCAA Plans also provide, from the Global Settlement Amount, for the establishment of a Miscellaneous Claims Fund to provide potential distributions to Putative Miscellaneous Claimants, being Persons other than Claimants or Individual Claimants, who purport to have a Miscellaneous Claim against one or more of the Tobacco Companies.

(ii) The Claims Procedure

The Claims Procedure Order sets forth the process pursuant to which (i) Claimants and (ii) Putative Miscellaneous Claimants, if any, may attend and vote at the Meetings. It provides that:

- Each Claimant shall be issued a Statement of Negative Notice Claim. Unless the statement is varied in accordance with the Claims Procedure Order, the Claimant shall be entitled to vote at the Meetings based on the value and number of votes set forth in the statement; and
- All Persons asserting a Miscellaneous Claim for the purpose of attending the Meetings and voting on the CCAA Plans must file a Miscellaneous Claimant Proof of Claim with the Monitor by no later than 5pm (Eastern Time) on December 5, 2024 (the Miscellaneous Claims Bar Date). The Claims Package for such Persons is available on each of the Monitors' Websites.

Please note that Individual Claimants are not required to take any actions at this time to preserve their rights.

Please note that the value of an Affected Claim as set forth in a Statement of Negative Notice or in a Miscellaneous Claimant Proof of Claim is for voting purposes only. All entitlements to distributions from the Global Settlement Amount shall be in accordance with the CCAA Plans.

(iii) The Meeting Order

The Meetings to vote on the CCAA Plans shall be held by videoconference as follows:

Tobacco Company	Meeting Date and Time
Imperial	December 12, 2024 at 11:00 a.m.
RBH	December 12, 2024 at 1:00 p.m.
JTIM	December 12, 2024 at 3:00 p.m.

Please note that all Individual Claimants (or groups of Individual Claimants) will be represented at the Meetings by either the Quebec Class Counsel or the PCC Representative Counsel. **Accordingly, Individual Claimants may not file a Miscellaneous Claimant Proof of Claim, attend the Meetings, nor vote on their own behalf.**

(iv) Monitors' Contact Information

For further information, please consult the Monitors' Websites or contact them at:

Tobacco Company	Monitor's Contact Details
Imperial	FTI Consulting Canada Inc. Website: http://cfcanada.fticonsulting.com/imperialtobacco Phone Number: 1-844-707-7558 Email Address: imperialtobacco@fticonsulting.com
RBH	Ernst & Young Inc.

	Website: www.ey.com/ca/rbh Phone Number: 1-866-943-2280 Email Address: rbh@ca.ey.com
JTIM	Deloitte Restructuring Inc. Website: www.insolvencies.deloitte.ca/en-ca/JTIM Phone Number: 1-833-765-1452 Email Address: jtim@deloitte.ca

Appendix "B"**Regional Newspapers for the Omnibus Notice Program**

Publication	Specific Region/Municipality
Chronicle Herald	Halifax, NS
Cape Breton Post	Cape Breton, NS
Saint John Telegraph-Journal	Saint John, New Brunswick
The Daily Gleaner	Fredericton, New Brunswick
Miramichi Leader	Miramichi, New Brunswick
The Guardian	Charlottetown, PEI
St. John's Telegram	St. John's, NFLD
Quebec Chronicle Telegraph	Quebec City, QC
Journal de Québec	Quebec City, QC
Montreal Gazette	Montreal, QC
La Sentinelle	Northern Quebec
Ottawa Citizen	Ottawa, Ontario
Chronicle-Journal	Thunder Bay/Northwest Ontario
North Bay Nugget	North Bay, Ontario
London Free Press	London, Ontario
Sudbury Star	Sudbury, Ontario

Publication	Specific Region/Municipality
Toronto Star	Toronto, Ontario
Winnipeg Free Press	Winnipeg, Manitoba
La Liberté	Winnipeg, Manitoba
Brandon Sun	Brandon, Manitoba
Flin Flon Reminder	Flin Flon, Manitoba
Thompson Citizen	Thompson, Manitoba
Regina Leader Post	Regina, Saskatchewan
Saskatoon StarPhoenix	Saskatoon, Saskatchewan
Prince Albert Daily Herald	Prince Alberta, Saskatchewan
Calgary Herald	Calgary, AB
Edmonton Journal	Edmonton, AB
Lethbridge Herald	Lethbridge, AB
Alberta Native News	AB, MB, SK, Northern BC, YK, NU, NWT
Victoria Times Colonist	Victoria, BC
Vancouver Sun	Vancouver, BC
Prince George Citizen	Prince George, BC
Yukon News	Yukon
NWT News / North	NWT

Publication	Specific Region/Municipality
Nunatsiaq News	Nunavut
Nunavut News	Nunavut

*IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. c-36, AS AMENDED AND IN THE MATTER OF A
PLAN OF COMPROMISE OR ARRANGEMENT OF IMPERIAL TOBACCO CANADA LIMITED AND IMPERIAL TOBACCO COMPANY LIMITED*

E-mail of the recipients: See the Common Service List

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**
Proceeding commenced at Toronto

**ORDER
Dated October 31, 2024
(Claims Procedure
Order)**

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Lawyers for the Monitor