

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**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
JTI-MACDONALD CORP.**

**EIGHTEENTH REPORT OF THE MONITOR
October 26, 2024**

INTRODUCTION¹

1. On March 8, 2019, JTI-Macdonald Corp. (“**JTIM**” or the “**Applicant**”) filed for and obtained protection under the *Companies' Creditors Arrangement Act* (the “**CCAA**”). Pursuant to the Order of this Court granted on the same date, Deloitte Restructuring Inc. was appointed as the Monitor in these proceedings (in such capacity, the “**Monitor**”). The proceedings commenced by the Applicant under the CCAA are referred to herein as the “**CCAA Proceedings**”.
2. The CCAA Proceedings are being conducted in parallel with the CCAA proceedings of Imperial Tobacco Canada Limited and Imperial Tobacco Company Limited (collectively, “**ITL**”), and Rothmans, Benson & Hedges Inc. (“**RBH**”, together with JTIM and ITL, the “**CCAA Applicants**” and each a “**CCAA Applicant**”). The stated objective of these parallel, unconsolidated CCAA proceedings is to provide the CCAA Applicants with an

¹ Capitalized terms not otherwise defined herein have the meanings given to them in the CCAA Plan (defined below).

opportunity to settle the multi billion dollars of claims alleged against each of them through a structured process.

3. In furtherance of the collective goal of resolving the numerous, substantial and complicated claims against the CCAA Applicants, the Honourable Warren K. Winkler, K.C. was appointed as mediator (in such capacity, the “**Court-Appointed Mediator**”), with a mandate to oversee and coordinate a multiparty, confidential mediation among the CCAA Applicants and their key stakeholders.
4. On October 17, 2024, the Monitor filed a motion with the Court, returnable on October 31, 2024, for:
 - a) a Meeting Order (the “**Meeting Order**”):
 - i) accepting the filing of a plan of compromise and arrangement in respect of the Applicant (the “**CCAA Plan**”) attached to the Monitor’s notice of motion;
 - ii) authorizing and directing the Monitor to call, hold and conduct a meeting of Affected Creditors to vote on the Plan Resolution on or before December 12, 2024 (the “**Meeting**”);
 - iii) authorizing, 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 CCAA Plan;

- iv) approving the procedures to be followed at the Meeting, including voting procedures;
 - v) authorizing, approving and directing the posting and distribution of materials for the Meeting and other procedures to be followed to provide notice of the Meeting; and
 - vi) subject to the Plan Resolution being approved by the requisite majorities of creditors, authorizing the Monitor to make a motion for the hearing (the “**Sanction Hearing**”) where the Court will decide whether to grant an order approving and sanctioning the CCAA Plan; and
- b) a Claims Procedure Order (the “**Claims Procedure Order**”) establishing a claims procedure for the identification of Affected Claims against the Applicant for the CCAA Plan.
5. The monitors of the other CCAA Applicants (together with the Monitor, the “**Tobacco Monitors**”) also filed motions on October 17, 2024 requesting substantially similar relief in respect of their CCAA Applicants.

PURPOSE

6. The purpose of this Eighteenth Report (the “**Eighteenth Report**”) is to provide the Court with the following:

- a) a description of the CCAA Plan;
- b) a description of the Meeting Order;
- c) a description of the Claims Procedure Order; and
- d) the Monitor's recommendation in respect of the filing of the CCAA Plan, the granting of the Meeting Order and the Claims Procedure Order and the authorization for the Monitor to make a motion for the Sanction Hearing.

TERMS OF REFERENCE AND DISCLAIMER

- 7. In preparing this Eighteenth Report and making the comments herein, the Monitor has been provided with, and has relied upon, unaudited financial information, books and records and financial information prepared by JTIM, and discussions with management and advisors of the Applicant ("**Management**") (collectively, the "**Information**").
- 8. The Monitor has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Monitor has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Generally Accepted Assurance Standards ("**Canadian GAAS**") pursuant to the *CPA Canada Handbook* and, accordingly, the Monitor expresses no opinion or other form of assurance contemplated under Canadian GAAS in respect of the Information.

9. Some of the information referred to in this Eighteenth Report consists of financial projections. An examination or review of the financial forecasts and projections, as outlined in the *CPA Canada Handbook*, has not been performed.
10. Future-oriented financial information referred to in this Eighteenth Report was prepared based on Management's estimates and assumptions. Readers are cautioned that, since projections are based upon 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.
11. Unless otherwise stated, all monetary amounts noted herein are expressed in Canadian dollars. Capitalized terms used herein and not otherwise defined have the meanings set out in the CCAA Plan.

MEETING ORDERS AND THE CCAA PLANS

12. The Monitor has prepared an overview of the Meeting Order and the meeting orders of the other CCAA Applicants (collectively, the "**Meeting Orders**") and the CCAA Plan and the CCAA plans of the other CCAA Applicants (collectively, the "**CCAA Plans**"). This overview is attached hereto as Appendix "A".
13. The issue of allocation of the Global Settlement Amount as between the CCAA Applicants in the three CCAA proceedings remains unresolved. For this and other reasons, JTIM has raised concerns about the workability of the CCAA Plan. However, the Monitor supports

the acceptance of the CCAA Plan for filing purposes as: (i) the CCAA Plans were prepared by the Tobacco Monitors and Court-Appointed Mediator in consultation with parties that participated in the mediation; (ii) QCAPs and PCCs, who comprise the individual victims, and the Tobacco Producers support the CCAA Plans; (iii) 10 of the 13 Provinces and Territories support the CCAA Plans; and (iv) if the conditions precedent to the implementation of CCAA Plan can be met, including the sanction of the CCAA Plan, it will bring an end to these lengthy and complex CCAA Proceedings.

14. The Monitor is also of the view that the Meeting Order provides for an effective procedure for voting by Eligible Voting Creditors (as defined in the Meeting Order) on the resolutions to approve the CCAA Plan. The Meeting Order also authorizes the Monitor to bring a motion to set a court date for a Sanction Hearing if approved by the Required Majority at the Meeting.

REPORT OF THE MONITORS ON THE CLAIMS PROCEDURE ORDERS

15. The Monitor has, together with the other Tobacco Monitors, prepared an overview of the Claims Procedure Order and the claims procedure orders of the other CCAA Applicants, and the Omnibus Notice and Omnibus Notice Program contained therein. This overview is attached hereto as Appendix “B”. The Monitor understands that substantially similar copies of Appendix “B” have been included in the relevant reports of each of the other Tobacco Monitors.


16. The Monitor is of the view that the Claims Procedure Order provides for a process that is effective for the Affected Creditors of the Applicant to establish any potential Affected Claim they may have for voting purposes at the Meeting. The Monitor is also of the view that the Omnibus Notice and Omnibus Notice Program provide good and sufficient notice to any Person that may have an Affected Claim.

RECOMMENDATION

17. The Monitor recommends that the CCAA Plan be accepted for filing, that the Claims Procedure Order and the Meeting Order be granted by the Court for the reasons set out herein, and in Appendices “A” and “B”, and that the Monitor be authorized to bring a motion for the Sanction Hearing, as contemplated in the Meeting Order.

All of which is respectfully submitted this 26th day of October, 2024

**Deloitte Restructuring Inc.,
Solely in its capacity as Court-appointed Monitor
of JTIM and not in its personal capacity**

Per: 

Philip J. Reynolds, LIT
Senior Vice-President

APPENDIX “A”

CCAA PLANS¹

1. Certain key terms of the plans of compromise or arrangement developed by the Court-Appointed Mediator and each Monitor in respect of each of JTI-Macdonald Corp. (“**JTIM**”), Imperial Tobacco Canada Limited and Imperial Tobacco Company Limited (collectively, “**Imperial**”) and Rothmans, Benson & Hedges Inc. (“**RBH**” and, together with JTIM and Imperial, the “**Applicants**”) under the CCAA (each a “**CCAA Plan**” and collectively, the “**CCAA Plans**”) are summarized in this Appendix. However, the summary provided does not purport to be exhaustive nor address each and every provision of the CCAA Plans. For greater detail, reference should be made to the CCAA Plans. The summary provided and all references to the CCAA Plans herein are qualified by reference to the text of the CCAA Plans and, in the event of any discrepancy between the summary provided herein and the CCAA Plans, the CCAA Plans shall govern. All references to currencies in this Appendix are in Canadian dollars.

Contributions Under the CCAA Plans

2. The primary consideration for the global releases of the Applicants, their affiliates, international parent companies (the “**Parent Companies**” and each with their affiliates and subsidiaries, “**Tobacco Company Groups**”) and Tobacco Company Groups is a payment by the Applicants of: (i) \$32.5 billion (the “**Global Settlement Amount**”), which includes \$25.0 million to be deposited in the Miscellaneous Claims Fund, plus (ii) \$35.0 million, in addition to the \$25.0 million from the Global Settlement Amount, designated to the Miscellaneous Claims Fund. This additional \$35.0 million can be contributed at the unanimous discretion of the Applicants and will not otherwise affect the economics of the CCAA Plans from the perspective of the Claimants. The Global Settlement Amount is made up of funds contributed upfront (“**Upfront Contributions**”) at the time of implementation (the “**Plan Implementation Date**”), and funds to be paid in future years

¹ Unless otherwise defined or specified, all capitalized terms used in this section of this Appendix shall have the meaning ascribed to them in the CCAA Plans and, with respect to any particular reference to any particular Tobacco Company, the capitalized terms shall have the meaning ascribed to them in the corresponding CCAA Plan.

(“**Downstream Contributions**”) until the Global Settlement Amount is fully paid. The Downstream Contributions are made up of payments to be calculated as a percentage of after-tax net income (the “**Annual Contributions**”) and certain tax related refunds and savings in respect of the Upfront Contributions and Annual Contributions.

3. The Upfront Contributions will be equal to (i) the cash on hand of each Applicant as at the month end prior to the Plan Implementation Date, plus (ii) the Cash Security Deposits, less (iii) \$750 million. As such, the exact sum of the Upfront Contributions will not be known until the month end prior to the Plan Implementation Date, however it is currently estimated to be \$12.456 billion as at December 31, 2024 plus \$35.0 million designated to the Miscellaneous Claims Fund. The approximate Upfront Contributions will be allocated among the Claimants as follows:

Claimant	Amount (billions)
Provinces and Territories	\$6.202
QCAPs	\$3.869
PCCs	\$1.750
Cy-près Foundation	\$0.500
Tobacco Producers	\$0.015
<i>Knight</i> Class Action Plaintiffs	\$0.015
Miscellaneous Claims Fund	\$0.025 (plus \$35.0 million additional funds designated to this Miscellaneous Claims Fund)
CCAA Plan Administration Reserve	\$0.075
PCC Compensation Plan Reserve	\$0.005

4. Because the amount of the Upfront Contributions is not fixed, the Provinces and Territories' share of the Upfront Contributions will be equal to the difference between the total Upfront Contributions less those paid to the other Claimants and to the reserves and Miscellaneous Claims Fund.
5. The Annual Contributions will be calculated as a percentage of Net After-Tax Income subject to certain adjustments, as described in the CCAA Plans (the "**Metric**"). For the first five years following implementation, 85.0% of the amount calculated pursuant to the Metric will be paid to the Claimants. Subject to the Applicants having made all prior Annual Contributions, the percentage of the amount calculated pursuant to the Metric to be paid to the Claimants will decrease by increments of 5.0% every five years, until a terminal level of 70.0% is reached, which shall persist until the Global Settlement Amount is paid in full.
6. The Metric is intended to capture the profits of the Canadian operating businesses of each Applicant and the one-time realization of assets, excluding any non-operational transactions. It shall:
 - a) be based on the amount generated from all sources by each Applicant, 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;
 - f) exclude interest expense to related parties; and
 - g) exclude any penalties and fines imposed by taxing and/or regulatory authorities.

7. As any potential claims related to alternative products are not being released pursuant to the CCAA Plans, the financial impact from these alternative products is excluded from the calculation of the Metric. Furthermore, the CCAA Plans require RBH and Imperial to split these business lines into separate corporations. JTIM does not sell Alternative Products in Canada.
8. Due to the uncertain nature of the Applicants' future profits, there is no fixed Contribution Period. Payments will cease when the aggregate Contributions (inclusive of the Upfront Contributions, Annual Contributions and Tax Refund Cash Payments less any applicable Reserved Amount retained in the Supplemental Trust Account) reach \$32.5 billion. Until the Global Settlement Amount has been paid, the payment and performance of the Applicants' obligations under each CCAA Plan and other Definitive Documents will be secured by a first ranking charge on the assets of each of the Applicants, for the benefit of those Claimants to whom amounts remain outstanding (the "**Impacted Claimants**"). In that regard, the CCAA Plan of JTIM contemplates that its existing secured creditor, JTI-TM, will enter into a subordination agreement, subordinating its security in favour of the security granted to the Claimants.
9. Including the Upfront Contributions, the Global Settlement Amount will be allocated between the Claimants as follows:

Period	Upfront	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	12.456	1.111	1.078	1.067	1.037	1.037	14.714	32.500
Provinces & Territories	6.202	0.361	0.682	0.942	0.912	0.912	14.714	24.725
QCAPs	3.869	0.250						4.119
PCCs	1.750	0.500	0.271					2.521
Cy-près Foundation	0.500		0.125	0.125	0.125	0.125		1.000
Tobacco Producers	0.015							0.015
<i>Knight</i> Class Action Plaintiffs	0.015							0.015
Miscellaneous Claims Fund	0.025							0.025
CCAA Plan Administration Reserve	0.075							0.075
PCC Compensation Plan Reserve	0.005							0.005
Total allocated²	12.456	1.111	1.078	1.067	1.037	1.037	14.714	32.500

10. The CCAA Plans contain the following statement regarding allocation of the Global Settlement Amount amongst the Applicants:

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

Global Releases of the Applicants, Parent Companies and Tobacco Company Groups

11. In exchange for the Upfront Contributions, the promise to pay the Downstream Contributions, the subordination by JTI-TM of its security interests in the assets and undertaking of JTIM, and the agreement for the Parent Companies and relevant affiliates

² This allocation table should be read with the notes to it in the CCAA Plans.

to provide shared services and other operational support to the Applicants, each CCAA Plan provides for broad and comprehensive releases to be granted to the Applicants, their Parent Companies and their Tobacco Company Groups for all Tobacco Claims. Broadly speaking, the Claim of any person, organization or party that may have an Affected Claim or Released Claim is being released. In addition, all Claimants will provide a contractual release to each of the Applicants which shall release any claims they may have that are addressed by subsections 5.1(2) and 19(2) of the CCAA (the “**Claimant Contractual Releases**”). The full execution of these Claimant Contractual Releases is a condition precedent to the implementation of each CCAA Plan.

12. In connection with these broad releases being granted, 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 Plan Implementation Date, the Released Parties and the Provinces and Territories are in agreement that the enactment of such future legislation shall not render unenforceable or otherwise make ineffective any of the terms of the Claimant Contractual Releases or releases granted pursuant to the CCAA Plans.

Treatment of Stakeholders and Administration of the CCAA Plans

13. The Provinces and Territories are projected to receive \$24.725 billion. This allocation will be paid from the Upfront Contributions and the Downstream Contributions. The Provinces and Territories have agreed to apportion their allocation of the Global Settlement Amount as among themselves in the following percentages:

Province/Territory	Per Cent Share
Alberta	12.627%
British Columbia	14.471%
Manitoba	4.525%

Province/Territory	Per Cent Share
New Brunswick	2.412%
Newfoundland and Labrador	2.147%
Northwest Territories	0.727%
Nova Scotia	3.174%
Nunavut	0.379%
Ontario	28.777%
Prince Edward Island	0.660%
Québec	26.825%
Saskatchewan	2.879%
Yukon	0.397%
Total:	100.000%

14. The QCAPs will receive an aggregate of \$4.25 billion, of which \$131.0 million will be designated to the Cy-près Foundation. This amount, net of legal fees³, will be provided to those QCAPs who suffered from tobacco related lung cancer, throat cancer or emphysema/COPD and submit a valid claim pursuant to the Quebec Administration Plan. Depending on the number of valid claims received, a successful claimant could receive up to \$100,000 for lung and throat cancer and up to \$30,000 for emphysema/COPD. If there are any funds left over after completing the Quebec Administration Plan, those funds will be paid to the Provinces and Territories.

15. Amounts payable to the PCCs will consist of direct compensation from the PCC Compensation Plan (depending on the number of valid claims received, a successful claimant could receive up to \$60,000 for lung and throat cancer and up to \$18,000 for

³ The legal fees of the QCAP counsel, *Knight Class Counsel* and the Tobacco Producers' counsel are subject to approval by the CCAA Court.

emphysema/COPD) and indirect compensation in the form of the Cy-près Foundation (defined below).

16. If there are residual funds after paying all accepted claims pursuant to the PCC Compensation Plan, those funds will be paid to the Provinces and Territories. If a successful PCC-Claimant has passed away since March 8, 2019, their estate may make a claim on their behalf.
17. Both the Quebec Administration Plan and PCC Compensation Plan will be administered by Epiq Class Actions Services Canada, Inc. (the “**Claims Administrator**”), a leader in class action administration in Canada and internationally. In order to make the claims processes for QCAPs and PCC-Claimants more accessible, a service provider has been retained to assist the QCAPs and PCC-Claimants in preparing and submitting their claims.
18. In addition, an Administrative Coordinator has been designated, to coordinate the administration of the QCAP and PCC claims processes. This will render these complex claims processes more efficient and simplify them so that claims can be more easily processed and finalized in a shorter time. Daniel Shapiro, K.C. will be appointed as “Administrative Coordinator”.
19. A public charitable foundation (the “**Cy-près Foundation**”) will be established as part of the implementation of each of the CCAA Plans. The Cy-près Foundation is designed to provide indirect compensation to benefit those individuals who would not otherwise be entitled to direct compensation in accordance with the terms of the QCAP Administration Plan and PCC Compensation Plan. The Cy-près Foundation will be funded in the amount of \$1.0 billion allocated from the Global Settlement Amount, which amount is inclusive of the \$131 million contributed from the QCAPs’ compensation.
20. The mission of the Cy-près Foundation is to provide these indirect benefits in the form of research into methods for earlier diagnosis and better treatment of tobacco-related cancers and Emphysema/COPD and/or other tobacco-related harms.
21. The Cy-près Foundation will be chaired by Dr. Robert Bell, an internationally recognized orthopaedic surgeon, clinician-scientist and educator with over 40 years of health care

experience including as Deputy Minister of Health for Ontario and President and Chief Executive Officer of the University Health Network in Toronto. Dr. Bell's appointment is subject to CCAA Court affirmation.

22. To ensure the Cy-près Foundation is meeting its stated objectives it will be required to report at regular intervals to the CCAA Court. These reports will cover the financial status of the Cy-près Foundation and a description of its activities.
23. The Tobacco Producers and *Knight* Class Action Plaintiffs will each receive \$15.0 million in full consideration for their claims.
24. As described above, the Miscellaneous Claims Fund has \$25.0 million allocated from the Global Settlement Amount, plus an additional \$35.0 million from the Applicants specifically designated to this fund for Putative Miscellaneous Claimants who assert that they have claims which have not been released pursuant to the terms of the CCAA Plans, Claims Procedure Order of each Applicant (collectively, the “**Claims Procedure Orders**”), Sanction Order of each Applicant (collectively, the “**Sanction Orders**”), Claimant Contractual Releases and/or any other orders made in the CCAA Proceedings.
25. Any claims of Claimants that are addressed by CCAA s. 19(2) and 5.1(2) are being settled by the CCAA Plans releases and Claimant Contractual Releases provided by the Claimants, the execution of which is a condition precedent to implementation of the CCAA Plans.
26. While the Parent Companies and Tobacco Company Groups are not making any direct monetary contributions, other than the additional \$35.0 million from the Applicants specifically designated for the Miscellaneous Claims Fund, they are required to continue supplying intercompany goods, services and licensing arrangements. The Applicants are each highly integrated with their affiliates and Tobacco Company Groups, and without these shared services, would either cease to function, or would function significantly less efficiently. The continued provision of these goods and services is required for the Applicants to continue operating in the normal course and will meaningfully contribute to their ability to pay the Global Settlement Amount.

Oversight, Reporting Requirements and Covenants

27. As described above, the payment of the Global Settlement Amount is divided into two tranches, first the Upfront Contributions which will be paid out upon the Plan Implementation Date, and secondly the Annual Contributions which will be made annually until the total amount of the Global Settlement Amount has been paid. This second tranche could span a period of up to 20 years or more and by and large is paid to the credit of the Provinces and Territories. Therefore, during the pendency of the second tranche, the Applicants will be required to provide comprehensive and ongoing financial reporting to the Provinces, Territories and any other Impacted Claimants as these Claimants will not yet have received their full allocation of the Global Settlement Amount. These Impacted Claimants will be relying upon this information to determine that the Annual Contributions are appropriate and to inform their expectations as to the Applicants' future performance. To this end, as described in greater detail below, the CCAA Plans provide that the Monitors will continue after the Plan Implementation Date as "CCAA Plan Administrators" to facilitate the administration of the CCAA Plans and the exchange of information between the Applicants and the Impacted Claimants. Each of the Tobacco Companies must provide each year:

- a) by May 15: Q1 financial statements;
- b) by August 15: Q2 financial statements;
- c) by November 15: Q3 financial statements; and
- d) by March 15: Q4 financial statements.

28. In addition, by March 31 of every year, the Tobacco Companies will be required to provide audited annual financial statements, including notes. On an annual basis, by May 15, the Tobacco Companies will also be required to provide 5 year business plans. These business plans will include sufficiently detailed information (which is described in more detail in the CCAA Plans) to allow the Provinces, Territories and Impacted Claimants to understand the financial and operational outlook of each Tobacco Company and estimate the Annual Contributions to be made in the succeeding years. Similar 5 year business plans have been

provided to those Claimants who executed non-disclosure agreements during the pendency of the CCAA Proceedings.

29. The Applicants will also be subject to covenants requiring continued operations in a manner consistent with the business plan and restricting non-operational changes to the businesses. Non-compliance with these covenants may result in a breach or event of default, depending on the severity of the infraction. Events of Default, such as a failure to pay an Annual Contribution, result in an Aggrieved Party being immediately entitled to exercise all rights and remedies available pursuant to the CCAA Plan and other relevant documents and laws. The CCAA Court shall have the exclusive jurisdiction to determine all proceedings regarding Events of Default.
30. If a breach, which are less serious events, cannot be resolved between the respective Applicant and the Aggrieved Parties, it shall proceed to binding arbitration, or the CCAA Court, if the CCAA Court chooses to hear the dispute, for a final resolution.
31. To aid in efficient communication following the Plan Implementation Date, the Provinces and Territories have created a liaison committee (the “**Provincial and Territorial Liaison Committee**” or “**PTLC**”) to centralize decision making among their jurisdictions. The comprehensive terms of the PTLC are attached as Schedule “AA” to the CCAA Plans of JTIM and RBH and Schedule “X” to the CCAA Plan of Imperial. The CCAA Plan Administrators will only interact with the PTLC Chair, and not every Province and Territory. Furthermore, under no circumstances shall a PTLC Member, other public servant of, or a financial, legal or other advisor to, any Province or Territory contact an Applicant or a member of a Tobacco Company Group to make an Information Request and thereby bypass the PTLC Chair or the CCAA Plan Administrators.
32. Under certain circumstances, Impacted Claimants may participate in Interface Meetings with the PTLC and CCAA Plan Administrators.

Role of the CCAA Plan Administrators

33. Subject to Order of the CCAA Court, following the Plan Implementation Date the Monitors will each assume the role of CCAA Plan Administrator. In this role, the CCAA Plan

Administrators will be neutral and independent and serve as a conduit between the Applicants, the Claimants, the CCAA Court, the Claims Administrator and the Administrative Coordinator. The CCAA Plan Administrators will not be or be deemed to be the representatives of the Claimants, Tobacco Companies or Tobacco Company Groups for the purposes of implementing and administering the CCAA Plans, nor will they have the authority to bind any of the Claimants, Tobacco Companies or Tobacco Company Groups.

34. Among other things, the CCAA Plan Administrators shall:

- a) on an annual basis, receive and review the business plan which each Applicant will provide;
- b) on a quarterly basis, receive and review the financial statements of each Applicant;
- c) on an annual basis, receive and review the audited financial statements with notes of each Applicant;
- d) receive and review the information provided by each Applicant regarding the calculation of the Annual Contributions and Reserved Amount, and reporting to the Provinces, Territories and any Impacted Claimants regarding the same;
- e) receive and review the information that each Applicant shall provide in response to the ad hoc information requests made from time to time by the CCAA Plan Administrators;
- f) report to the Provinces, Territories and any Impacted Claimants regarding any issue, event or condition pertaining to an Applicant which is disclosed to the CCAA Plan Administrators and causes or would reasonably be expected to cause a Material Adverse Effect on the Applicant, or constitutes a breach or event of default;
- g) administer distributions from the Global Settlement Trust Account to the Claimants;

- h) oversee the administration of the PCC Compensation Plan and Quebec Administration Plan, and reporting to the CCAA Court regarding the same;
 - i) certain oversight activities regarding the Cy-près Foundation; and
 - j) report to the CCAA Court on an annual basis, or at any other times in their discretion, or as the CCAA Court directs.
35. 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 Applicant's financial information and any information produced by an Applicant in response to an ad hoc request from the CCAA Plan Administrators.
36. 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.
37. In completing their tasks, 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 the 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;
 - f) counsel for the Tobacco Producers; and
 - g) the Applicants.

38. 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.

39. The CCAA Court will retain jurisdiction and provide ongoing supervision until the entirety of the Global Settlement Amount has been paid. The CCAA Plan Administrators, the Court-Appointed Mediator, the Claims Administrator (for the PCC Compensation Plan) and the Administrative Coordinator will all be paid by the Applicants on an ongoing basis. The Claims Administrator fees in relation to the Quebec Administration Plan will be paid from the allocation to the QCAPs. There will be a reserve established for the CCAA Plan Administrators and Claims Administrator, which will be released to the unpaid claimants when their respective engagements are complete.

MEETING ORDERS⁴

Background

40. Certain key terms of the Meeting Order of each Applicant (collectively, the “**Meeting Orders**”) are summarized below. The summary does not address each and every provision of the Meeting Orders and, accordingly, reference should be made to the Meeting Orders in their entirety.

41. The proposed Meeting Orders authorizes and directs each Monitor to convene the meetings of creditors of each Applicant (collectively, the “**Meetings**”) to be held virtually by videoconference, for the purpose of considering and, if deemed advisable, voting on a resolution to approve the CCAA Plans and the transactions contemplated therein (the “**Plan Resolution**”). The proposed Meeting Orders set out the following schedule for the Meetings:

Applicant	Time and Date
Imperial	December 12, 2024 at 11:00 a.m.

⁴ Terms used and not otherwise defined in this section of this Appendix shall have the meaning ascribed thereto in the Meeting Orders or the CCAA Plans, as applicable.

Applicant	Time and Date
RBH	December 12, 2024 at 1:00 p.m.
JTIM	December 12, 2024 at 3:00 p.m.

42. Pursuant to the Meeting Orders, the Monitors are required to publish on each Monitor’s website, no later than November 29, 2024, the applicable Meeting Materials, which will be comprised of: (i) the Omnibus Notice; (ii) the Proxy and Proxy Instructions (in the form attached to the Meeting Order); (iii) the applicable Meeting Order; (iv) the applicable CCAA Plan; and (v) the Monitor’s Report (the “**Meeting Materials**”).

43. The Meeting Orders provide that the Chair of each Meeting, as a representative of the applicable Monitor, will conduct and chair the Meetings, subject to any further order of the CCAA Court, and shall decide all matters relating to the conduct of each Meeting, including whether to appoint scrutineers or a secretary.

Attending and Voting at the Meetings

44. The quorum required at each Meeting is one Eligible Voting Creditor (as defined below), present in person or by Proxy (in each case by electronic means), who is entitled to vote at the applicable Meeting. If the requisite quorum is not present at the applicable Meeting, the applicable Chair will adjourn the Meeting to such date and time as such Chair determines appropriate in their sole discretion.

45. The Chair shall direct a vote with respect to the Plan Resolution to approve the applicable CCAA Plan.

46. Pursuant to the proposed Meeting Orders, the only Persons entitled to attend the Meetings are: (a) the applicable Applicant and their legal counsel and advisors; (b) the applicable Directors and their legal counsel and advisors; (c) the Monitors and their legal counsel; (d) the Court-Appointed Mediator and his legal counsel; (e) the Claimants, and if applicable, any Putative Miscellaneous Claimants that have filed a Miscellaneous Claimant Proof of Claim by the Miscellaneous Claims Bar Date, and their respective legal counsel (together,

the “**Eligible Voting Creditors**”); and (f) any other Person admitted on invitation of the Chair.

47. For the purposes of attending and voting at the Meetings, the Meeting Orders appoint the following representatives of certain Claimants and authorizes them to vote all of the Voting Claims of their respective Claimants as proxies, without the need to provide any Proxy or other document:

- a) PCC Representative Counsel on behalf of all Pan-Canadian Claimants;
- b) Quebec Class Counsel on behalf of all Quebec Class Action Plaintiffs;
- c) counsel to the Tobacco Producers on behalf of all Tobacco Producers; and
- d) *Knight* Class Counsel on behalf of all the *Knight* Class Action Plaintiffs.

48. The amount of a Voting Claim will be as set out in the Claims Procedure Orders and the Statement of Negative Notice Claim or Miscellaneous Claimant Proof of Claim, subject to the Claims Procedure. Each Putative Miscellaneous Claimant will have one vote as set out in the applicable CCAA Plan and the value attributed to such vote shall be equal to the aggregate CAD value of such Putative Miscellaneous Claimant’s Voting Claim.

49. The Meeting Orders provide that individuals that have asserted or may be entitled to assert a Tobacco Claim shall not be permitted to file a Miscellaneous Claimant Proof of Claim, attend the Meetings or vote on the CCAA Plans as they are represented by the PCC Representative Counsel or Quebec Class Counsel.

Approval of the CCAA Plans, Voting Tabulation and Reporting

50. The vote on the Plan Resolution to approve the applicable CCAA Plan must receive an affirmative vote by a majority in number and two-thirds majority in dollar value of the Eligible Voting Creditors present and voting at the applicable Meeting in person or by proxy (the “**Required Majority**”).

51. The Monitors, or the scrutineers if appointed, shall tabulate the votes cast at the Meetings and record, each on separate ledgers: (a) the votes of the Claimants; and (b) the votes of Putative Miscellaneous Claimants. Following tabulation of the votes, the Monitors shall determine whether the Plan Resolution has been approved by the Required Majority.
52. The Monitors, as soon as practicable following the Meetings, shall file a report with the Court with respect to the results of the votes on the separate ledgers of the Claimants and the Putative Miscellaneous Claimants with respect to approval of the Plan Resolution, including whether: (a) the CCAA Plans have been approved by the Required Majority, and (b) any other matters relating to the applicable Meeting or the application for the applicable Sanction Hearing that the Monitor considers appropriate.
53. The result of any vote conducted at the Meetings shall be binding upon all Affected Creditors, whether or not any such Affected Creditor was present or voted at the Meetings.

Plan Sanction

54. The proposed Meeting Orders also seek to authorize the Monitors to bring a motion to establish a court date for the Sanction Hearing, at which the Monitors will seek the Sanction Orders, sanctioning the CCAA Plans if approved by the Required Majority in each case.

APPENDIX “B”

INTRODUCTION

1. In 2019, JTI-Macdonald Corp. (“**JTIM**”), Imperial Tobacco Canada Limited and Imperial Tobacco Company Limited (collectively, “**Imperial**”), and Rothmans, Benson & Hedges Inc. (“**RBH**”, together with JTIM and Imperial, the “**CCAA Applicants**” and each a “**CCAA Applicant**”) filed for and obtained protection under the *Companies’ Creditors Arrangement Act* (the “**CCAA**”). The parallel, unconsolidated proceedings commenced by the CCAA Applicants under the CCAA are referred to herein as the “**CCAA Proceedings**” and each a “**CCAA Proceeding**”.
2. A stay of proceedings was granted in favour of each of the CCAA Applicants pursuant to separate initial orders of this Court (collectively, as amended and restated from time to time, the “**Initial Orders**”).
3. Pursuant to the Initial Orders, Deloitte Restructuring Inc. was appointed as the monitor of JTIM (in such capacity, the “**JTIM Monitor**”), FTI Consulting Canada Inc. was appointed as the monitor of Imperial (in such capacity, the “**Imperial Monitor**”) and Ernst & Young Inc. was appointed as monitor of RBH (in such capacity, the “**RBH Monitor**” and, together with the JTIM Monitor and the Imperial Monitor, the “**Monitors**” and each a “**Monitor**”).
4. After its appointment, the Imperial Monitor, as Imperial’s foreign representative, sought and was granted relief under Chapter 15 of the United States Code, to recognize the CCAA Proceeding of Imperial as a foreign main proceeding and staying any actions against Imperial in the United States (the “**Imperial Chapter 15 Proceeding**”).

5. The objective of the CCAA Proceedings, and the parallel Imperial Chapter 15 Proceeding, is to provide the CCAA Applicants with an opportunity to effect a global resolution of the Tobacco Claims (as defined in the Plans) against each of them.
6. In furtherance of the collective goal of resolving the numerous, substantial and complicated claims against the CCAA Applicants, the Honourable Warren K. Winkler, K.C. was appointed as mediator (the “**Court-Appointed Mediator**”), with a mandate to oversee and coordinate a multiparty, comprehensive, confidential mediation among the CCAA Applicants and their key stakeholders (the “**Mediation**”).
7. The stays of proceedings granted by this Court in each of the CCAA Proceedings have been extended multiple times. On September 27, 2023, the Court granted an order further extending the stay periods in the CCAA Proceedings to March 29, 2024 (which stays were subsequently extended to October 31, 2024). In the accompanying endorsement, Chief Justice Morawetz found that:

In my view, if a successful plan is to be forthcoming, the best chance for development of such a plan will be achieved by directing neutral parties to collaborate and develop such a plan. In the circumstances, such neutrals are already in place. The three Court-appointed Monitors are well-positioned to collaborate with each other in conjunction with the Court-appointed Mediator to develop such plans.

8. Chief Justice Morawetz thereby directed the Monitors and the Court-Appointed Mediator to develop plans of compromise or arrangement in respect of each CCAA Applicant.

9. Since then, the Monitors and the Court-Appointed Mediator have, via the confidential Mediation process developed proposed plans of compromise or arrangement in respect of each CCAA Applicant on substantially similar terms (the “**Plans**”).
10. In an endorsement dated October 1, 2024 Chief Justice Morawetz stated that “the Court has every expectation that matters will progress such that meetings of creditors can take place on or before December 12, 2024.” The Meeting Orders (as defined below) contemplate creditors’ meetings by such date.
11. To facilitate implementation of the Plans, the Monitors and the Court-Appointed Mediator, in consultation with the various stakeholders in the Mediation have developed and are proposing: (i) the procedure for the submission, evaluation and adjudication of certain claims against the CCAA Applicants (the “**Claims Procedure**”), (ii) the claims notice and notice of related relief (the “**Omnibus Notice**”), (iii) the noticing program for the Claims Procedure and related relief (the “**Omnibus Notice Program**”), and (iv) the orders for JTIM (the “**JTIM Claims Procedure Order**”), Imperial (the “**Imperial Claims Procedure Order**”) and RBH (the “**RBH Claims Procedure Order**” and, together with the JTIM Claims Procedure Order and the Imperial Claims Procedure Order, the “**Claims Procedure Orders**”) that establish the Claims Procedure, Omnibus Notice and Omnibus Notice Program.
12. Capitalized terms used but not defined in this Appendix (the “**Appendix**”) have the meanings ascribed to them in the Claims Procedure Orders.

PURPOSE

13. The purpose of this Appendix is to provide the Court with an overview of the Claims Procedure, Omnibus Notice, Omnibus Notice Program and Claims Procedure Orders.

PURPOSE OF CLAIMS PROCEDURE

14. The Claims Procedure and the terms of the Claims Procedure Orders were designed to efficiently, fairly, consistently and transparently identify and quantify “**Affected Claims**”¹ against the CCAA Applicants.
15. The Claims Procedure prescribes a process for determining the Persons holding Affected Claims that are eligible to vote at the meetings (the “**Meetings**”) to consider and vote on resolutions to approve the Plans.
16. General unsecured and secured claims against the CCAA Applicants that do not fall within the definition of Affected Claims are not subject to the Claims Procedure. The Claims Procedure is only intended to address Affected Claims against the CCAA Applicants.

CLAIMS GOVERNED BY THE CLAIMS PROCEDURE ORDERS

17. Pursuant to the terms of the Claims Procedure Orders, all Affected Claims against the CCAA Applicants are subject to the Claims Procedure. The Affected Claims include (each as described further below in summary form) the Provincial HCCR Claims, Territorial

¹ “**Affected Claim**” means any Claim, other than an Unaffected Claim, against a Tobacco Company. For greater certainty, all Tobacco Claims, including the Provincial HCCR Claims, Territorial HCCR Claims, QCAP Claims, PCC Claims, Knight Claims (specific to Imperial), Tobacco Producers Claims and Miscellaneous Claims are Affected Claims.

HCCR Claims, QCAP Claims, PCC Claims, Tobacco Producer Claims, *Knight* Claims (only asserted against Imperial) and Miscellaneous Claims:

- a) **The Provincial HCCR Claims and the Territorial HCCR Claims:** Affected Claims of each Province and Territory against the CCAA Applicants for the recovery of alleged health care costs associated with the treatment of tobacco related illnesses. The Provincial HCCR Claims and Territorial HCCR Claims have been asserted in the superior court of each respective Province and Territory pursuant to legislation established in each Province and Territory for the purpose of creating a cause of action against the CCAA Applicants to recover such alleged health care costs.
- b) **QCAP Claims:** Affected Claims asserted against the CCAA Applicants in two separate class actions in the Province of Quebec, as discussed in greater detail below. The QCAP Claims relate to damages suffered by individuals resulting from the use of tobacco products. QCAP Claims under the Plan encompass all claims in the *Blais* Class Action² and *Letourneau* Class Action³ (collectively, the “**Quebec Class Actions**”). The Quebec Class Actions were certified on February 21, 2005. The Quebec Class Actions address the Tobacco Claims of Quebec residents who smoked cigarettes during specified time periods. Quebec Class Counsel represents

² Class action commenced on November 20, 1998 bearing Court File No. 500-06-000076-980.

³ Class action commenced in September 1998 bearing Court File No. 500-06-000070-983.

all Individuals (as defined in the Plans) who meet the criteria of the certified class definitions in the Quebec Class Actions (the “**QCAPs**”).

- c) **PCC Claims:** Affected Claims (that have been asserted or may be asserted in the future) of all other Individuals in Canada in relation to alleged damages suffered by those Individuals resulting from the use of tobacco products. On December 9, 2019, PCC Representative Counsel was appointed by this Court to represent the interests of all Individuals who are not QCAPs and not represented in the *Knight* Class Action (as defined below and which, as stated below, is solely against Imperial Tobacco Company Limited) in the CCAA Proceedings.
- d) **Tobacco Producer Claims:** Affected Claims advanced against each of the CCAA Applicants by the Ontario Flue-Cured Tobacco Growers’ Marketing Board in respect of alleged unfair trade practices of the CCAA Applicants that allegedly resulted in lower prices being paid to tobacco producers for their products. Any Person that holds a Tobacco Producer Claim is represented by Counsel for the Tobacco Producers (as defined in the Plans).
- e) **Knight Claim:** Affected Claims asserted via a class action lawsuit (the “**Knight Class Action**”) against Imperial Tobacco Canada Limited in respect of alleged damages suffered by Individuals resulting from the use of “light” or “mild” cigarettes. *Knight* Class Counsel (as defined in the Plans) represents all individuals who hold a *Knight* Claim. As the *Knight* Claims are only asserted against Imperial

Tobacco Canada Limited, only the Imperial Claims Procedure Order deals with the Claims Procedure with respect to the *Knight* Claims.

The parties holding Claims in the preceding categories are collectively referred to as the “**Claimants**”.

Miscellaneous Claims

18. Miscellaneous Claims is defined in the JTIM Claims Procedure Order as follows:

“**Miscellaneous Claims**” means collectively:

- (a) any Pre-Implementation Miscellaneous Claim;⁴
- (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 JTIM 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 JTIM (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

⁴ A Pre-Implementation Miscellaneous Claim is defined in the Plans as:

“**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) *Knight* Claim (specific to Imperial) or (f) Tobacco Producers Claim.

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 JTIM, its Tobacco Company Group and the Claimants. For greater certainty, no Claimant or Individual Claimant may assert a Miscellaneous Claim.

19. The Imperial Claims Procedure Order and RBH Claims Procedure Order define Miscellaneous Claims identically but replace JTIM with Imperial and RBH respectively.
20. Persons who assert Miscellaneous Claims are referred to as “**Putative Miscellaneous Claimants**”. The Monitors are not aware of any Putative Miscellaneous Claimants. For completeness, however, and as set out in greater detail below, the Claims Procedure is designed to provide Putative Miscellaneous Claimants with an opportunity to identify themselves and vote on the Plans.
21. The Plans also establish a fund (the “**Miscellaneous Claims Fund**”) to address any Miscellaneous Claim that is proven after the implementation of the Plans. In order to prove a Miscellaneous Claim, a Putative Miscellaneous Claimant must file a Miscellaneous Claimant Proof of Claim (defined below) prior to the Miscellaneous Claims Bar Date (defined below) and then seek leave from this Court to commence a proceeding to determine the merits of the Miscellaneous Claim. Any payment or award that is made in respect of a Miscellaneous Claim will be paid solely from the Miscellaneous Claims Fund.
22. As described in greater detail below, no Claimant or Individual Claimant is entitled to assert a Miscellaneous Claim.

Individual Claims

23. “Individual Claimants” are defined in the Claims Procedure Orders to be 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 (as stated above) are represented in the CCAA Proceedings by either PCC Representative Counsel or Quebec Class Counsel, respectively, and will be bound by the contractual releases given by such counsel on their behalf (defined in the Plans as the “**Claimant Contractual Releases**”) and the other releases contained in the Plans.
24. Pursuant to the Claims Procedure Orders, no Individual Claimants are permitted to file a proof of claim. This is because, as set out above, the interests of Individual Claimants are fully represented in the CCAA Proceedings by PCC Representative Counsel or Quebec Class Counsel, as applicable. Separate, comprehensive claims processes will be conducted after the implementation of the Plans by a claims administrator to seek and settle the claims of Individual Claimants pursuant to the respective claims administration plans included in the Plans. Accordingly, Individual Claimant’s claims are addressed by the portion of the Claims Procedure that applies to PCC Claims and QCAP Claims.
25. The Claims Procedure Orders and the Plans also describe claims that are not affected by the Plan (“**Unaffected Claims**”). Persons holding Unaffected Claims are not entitled to attend the Meetings or vote on the Plans.

CLAIMS PROCEDURE

Negative Notice Procedure

26. The Claims Procedure Orders create a process for the determination and quantification of the Negative Notice Claims (as defined below), which are the Provincial HCCR Claims, Territorial HCCR Claims, QCAP Claims, PCC Claims, Tobacco Producer Claims and, only in the case of the Imperial Claims Procedure Order, the *Knight* Claims and the claims of Canada in respect of the reassessment by the Canada Revenue Agency of certain settlement payments made by Imperial Tobacco Canada Limited in its 2014 taxation year.
27. Pursuant to the Claims Procedure, each Claimant or their duly appointed representative will be sent in respect of each CCAA Applicant: (i) a statement of negative notice claim which sets out the value and number of votes (each for voting purposes) (the “**Statement of Negative Notice Claim**”) attributable to its Affected Claim, and (ii) a form for the dispute of the value and/or number of votes contained in the Statement of Negative Notice Claim (the “**Notice of Dispute of Negative Notice Claim**” and, together with the Statement of Negative Notice Claim, the “**Negative Notice Claims Package**”).⁵ The following lists the value and number of votes attributable to each negative notice claim (each a “**Negative Notice Claim**”):

⁵ The value attributed to the Negative Notice Claim of each Claimant was arrived at by the Court-Appointed Mediator and the Monitors through the Mediation after a review of expert evidence in connection therewith. The expert evidence informing, in part, and supporting the quantification of each Negative Notice Claim is included in the report of Dr. Glen Harrison (the “**Harrison Report**”). Copies of the Harrison Report and the Curriculum Vitae of Dr. Harrison are included as Schedules to the proposed Plans.

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 in respect of the Imperial CCAA Proceeding)	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 (only in respect of the Imperial CCAA Proceeding)	1	\$333,535,110

28. The Claimants, or their duly appointed representative, if they wish to dispute the Negative Notice Claim, are required to submit a Notice of Dispute of Negative Notice Claim in respect of each CCAA Applicant to the applicable Monitor within 21 days following the date that the Negative Notice Claims Package is sent (the “**Negative Notice Bar Date**”), after which failure to deliver a Notice of Dispute of Negative Notice Claim will result in the conclusive and irrevocable acceptance of each such Negative Notice Claim. The Monitors believe that the Negative Notice Bar Date provides sufficient time for the Claimants to review the Negative Notice Claim and submit a Notice of Dispute of Negative

Notice Claim if the Claimant disagrees with the value or number of votes set out in the Negative Notice Claim.

29. The Monitors, in consultation with the Court-Appointed Mediator, will review any Notice of Dispute of Negative Notice Claim received and will attempt to resolve any such dispute with the applicable Claimant. If the dispute cannot be settled, the applicable Monitor will refer the matter to this Court for adjudication and will provide timely notice of the hearing date to the affected Claimant.

Claims Procedure for Persons Other Than a Claimant or Individual Claimant

30. The Claims Procedure Order also establishes a process to identify Putative Miscellaneous Claimants. The Claims Procedure allows Putative Miscellaneous Claimants to file a proof of claim (a “**Miscellaneous Claimant Proof of Claim**”) in respect of a purported Miscellaneous Claim.
31. As set out above, the Monitors are not aware of the existence of any Miscellaneous Claims. However, the Claims Procedure has been formulated to ensure that any person (other than a Claimant or an Individual Claimant) who may have a Miscellaneous Claim has the ability to assert its Miscellaneous Claim and vote on the applicable Plan at the applicable Meeting.
32. Pursuant to the Claims Procedure Orders, a Putative Miscellaneous Claimant must file a Miscellaneous Claimant Proof of Claim with the applicable Monitor prior to 5:00 p.m. (Eastern Time) on December 5, 2024 (the “**Miscellaneous Claims Bar Date**”) in order to be entitled to vote on the applicable Plan at the applicable Meeting.

33. The Monitors are not obligated, upon receipt of a Miscellaneous Claimant Proof of Claim, to make any inquiry or assessment as to the validity or the value assigned to the Miscellaneous Claimant Proof of Claim. However, the Monitors may seek direction from the Court with respect to the validity or quantification of a Miscellaneous Claimant Proof of Claim at their sole discretion. The Monitors are of the view that the process established in the Claims Procedure Orders for the determination of the number of votes and the value attributed to such votes for a Miscellaneous Claim is fair and reasonable and that the Miscellaneous Claims Bar Date provides sufficient time for potential Putative Miscellaneous Claimants to file a Miscellaneous Claimant Proof of Claim.
34. The Claims Procedure only establishes the value and number of votes of a Putative Miscellaneous Claimant for voting purposes. Any votes or value attributable to a Miscellaneous Claim in accordance with the Claims Procedure will not be determinative of the quantum of any potential distribution that a Putative Miscellaneous Claimant may be entitled to receive pursuant to the Plans.
35. The establishment of the value of a Miscellaneous Claim for distribution purposes will be conducted through the process set out in the Plans (the “**Miscellaneous Claims Procedure**”). The Miscellaneous Claims Procedure is a separate process from the Claims Procedure. Pursuant to the Miscellaneous Claims Procedure, leave must be sought by a Putative Miscellaneous Claimant from the Court to prove a Miscellaneous Claim and, if such leave is granted, the Court may make a determination on the merits of the purported Miscellaneous Claim.

36. In accordance with the Plans, any Putative Miscellaneous Claimant that fails to file by the Miscellaneous Claims Bar Date a Miscellaneous Claimant Proof of Claim in respect of a “Pre-Implementation Miscellaneous Claim” shall be forever barred from asserting such Pre-Implementation Miscellaneous Claim.
37. The Monitors will keep a record of all Miscellaneous Claimant Proofs of Claim received for the purpose of preparing a list of Persons eligible to vote at the Meetings and the value associated with their respective votes.

OMNIBUS NOTICE AND OMNIBUS NOTICE PROGRAM

38. The Claims Procedure Orders also establish the Omnibus Notice Program, pursuant to which the Omnibus Notice will be disseminated to Persons, including Claimants, Putative Miscellaneous Claimants and the public generally, to provide information on the Plans, the Claims Procedure and the Meetings. A copy of the Omnibus Notice is attached to the Claims Procedure Order as Schedule “C”.

Omnibus Notice

39. The proposed form of Omnibus Notice provides an explanation of the Plans, the Claims Procedure Orders and the order in respect of each CCAA Applicant establishing the Meetings (the “**Meeting Orders**”) and directs Persons to the Websites (as defined below) of the Monitors where they can find copies of those documents.

40. Important dates, including the Miscellaneous Claims Bar Date, the Negative Notice Bar Date and the date of the Meetings are also set out in the Omnibus Notice. The important dates for the Claims Procedure are reproduced below:

Date	Claims Procedure Step
October 31, 2024	Hearings on Claims Procedure Orders and Meeting Orders
November 7, 2024	Omnibus Notice published and Negative Notice Claims Packages sent
November 14, 2024	Omnibus Notice republished and condensed Omnibus Notice published
November 28, 2024	Negative Notice Bar Dates
November 29, 2024	Monitors publish Meetings materials to Websites
December 5, 2024	Miscellaneous Claims Bar Dates
December 5, 2024	Proxies for voting delivered
December 9, 2024	Monitors deliver Meetings materials to Eligible Voting Creditors (defined in the Meeting Orders)
December 12, 2024	Meetings to vote on CCAA Plans

41. The Omnibus Notice further explains to Individual Claimants that they are already represented in the CCAA Proceedings by Quebec Class Counsel in the case of QCAPs and PCC Representative Counsel in the case of Pan-Canadian Claimants. The Omnibus Notice also briefly summarizes: (i) the processes through which both the Quebec Class Action Plaintiffs and Pan-Canadian Claimants can assert claims to the Global Settlement Amount (as defined in the Plans); (ii) the allocation of the Global Settlement Amount to the various categories of Claimants; (iii) the Miscellaneous Claims Fund; and (iv) the public interest non-profit foundation contemplated by the Plans, to be known as the Cy-près Foundation.
42. The Omnibus Notice includes a description of the Claims Procedure. It explains to potential Putative Miscellaneous Claimants how they may submit a Miscellaneous Claimant Proof of Claim, the deadlines associated with such submission and that the Claims Procedure is being conducted solely to determine the number of votes of Putative Miscellaneous Claimants, and the associated value of such votes, solely for voting purposes at the Meetings and not for distribution purposes under the Plans. The Miscellaneous Claims Procedure for the determination of potential distributions in respect of Miscellaneous Claims is also briefly summarized.
43. Lastly, a brief overview of the Meeting Orders is provided in the Omnibus Notice. The voting procedure at the Meetings is set out and the process for the sanction of the Plans, should they be approved, at the proposed Sanction Hearing is covered.

44. The Monitors believe that the information provided in the Omnibus Notice is comprehensive and will provide good and sufficient notice to any Person that may have an Affected Claim.

Omnibus Notice Program

45. The Omnibus Notice Program establishes a strategy for widely disseminating the essential information contained in the Omnibus Notice in a manner that will be easily understood by the general public.
46. The Omnibus Notice Program calls for a condensed version of the Omnibus Notice to be published in English and French in the *Globe and Mail* (National Edition), *National Post* (National Edition), *Le Devoir* within five (5) Business Days of the issuance of the Claims Procedure Orders, or as soon as practical thereafter, and again one week following the first publication. The same condensed version of the Omnibus Notice will be published in thirty-six regional newspapers covering all Provinces and Territories within ten (10) Business Days of the issuance of the Claims Procedure Orders or as soon as practical thereafter.⁶ A list of the regional newspapers is attached to the Omnibus Notice Program as Appendix “B”.
47. Since potential Putative Miscellaneous Claimants cannot be Individuals, the Omnibus Notice Program calls for the Omnibus Notice to be published exclusively in newspapers

⁶ The reduction in the proposed number of regional newspapers in which the Omnibus Notice will be published is due to one of the prescribed regional newspapers (The Yukon Star) ceasing to publish as of August 2024.

and not on social media platforms. Such platforms would be appropriate if individuals were to be solicited but is less relevant to solicit organizations, institutions and other groups.

48. The Omnibus Notice Program also calls for the Monitors to send the Claims Procedure Orders, the Meeting Orders and the Omnibus Notice (collectively, the “**Claims Procedure Documents**”) to the Common Service List by email, publish the Claims Procedure Documents and the applicable Claims Package on the websites maintained by each Monitor for the CCAA Proceeding of each CCAA Applicant (the “**Websites**”) and use their best efforts to send the Claims Procedure Documents to any person that identifies itself in writing to the Monitors before the Miscellaneous Claims Bar Date as a Putative Miscellaneous Claimant.
49. The Monitors are of the view that the Omnibus Notice Program will provide sufficient notice of the Plans, Claims Procedure and Omnibus Notice to all Persons in each Province and Territory who may have an Affected Claim. The Monitors believe that the proposed notification process established as part of the Claims Procedure provides any potential Putative Miscellaneous Claimants with sufficient time to receive and review the applicable Claims Package, Omnibus Notice and the Claims Procedure Orders and submit a Miscellaneous Claimant Proof of Claim by the Miscellaneous Claims Bar Date.

RECOMMENDATION

50. The Claims Procedure Orders, Omnibus Notice, Omnibus Notice Program, Meeting Orders and Plans have all been developed in close collaboration among the Monitors, the Court-Appointed Mediator and other stakeholders in the Mediation.

51. The approach of seeking the Claims Procedure Orders and the Meeting Orders concurrently is a streamlined approach that should allow the Meetings and implementation of the Plans to occur as quickly as possible. The Monitors are of the view that this timeline is appropriate considering the circumstances and will facilitate distributions to Affected Creditors expeditiously.
52. The Claims Procedure has been designed to enable the fair and efficient identification and quantification of Affected Claims against the CCAA Applicants for the purposes of voting at the Meetings.
53. The Omnibus Notice and Omnibus Notice Program have been developed to provide wide notice of the Plans, the Claims Procedure, the Meeting Orders and the Meetings to ensure that all Persons who may have an Affected Claim will have an opportunity to inform themselves of their rights and options with respect to the Plans, the Claims Procedure, the Meeting Orders and the Meetings.
54. For all the foregoing reasons, the Monitors recommend that the Court grant the Claims Procedure Orders and approve the Omnibus Notice and Omnibus Notice Program contained therein.