

**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 OR ARRANGEMENT
OF CANNTRUST HOLDINGS INC., CANNTRUST INC.,
CTI HOLDINGS (OSOYOOS) INC., AND ELMCLIFFE INVESTMENTS INC.

Applicants

**EXHIBIT BRIEF
CONTINUED CROSS-EXAMINATION GREG GUYATT
HELD APRIL 13, 2021**

April 15, 2021

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Exhibit #	Description
6	Answers to undertakings, under advisement and refusals from Cross-examination held March 17, 2021

Court File No. CV-20-00638930-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
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**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
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**UNDERTAKINGS, UNDER ADVISEMENTS AND REFUSALS
FROM THE CROSS-EXAMINATION OF GREG GUYATT
on affidavits sworn March 5, 2021 and March 13, 2021, held on March 17, 2021**

Item	Page	Question	Type	Description	Response
Cross-Examination by Mr. Howard					
1.	71	253	U/A	To advise whether CannTrust Holdings Inc. (the “ Company ”) has required that the \$50 million to be paid to the Securities Claimant Trust will stay in the Trust until successful defendants are paid.	The terms under which part of the Securities Claimant Trust funds will stay in the trust are confidential. ¹
2.	71	255	U/A	To advise whether the Company has been made aware of how much, and when, of the funds in the Securities Claimant Trust are going to go to Plaintiff’s counsel.	The Company has no knowledge of this information.

¹ Capitalized terms used but not otherwise defined herein have the meanings given to them in the affidavit of Greg Guyatt sworn March 5, 2021.

Item	Page	Question	Type	Description	Response
3.	72	256	U/A	To advise what terms, if any, the Company has insisted be in the settlement trust to protect the non-settling defendants.	The Company has (i) agreed to pay \$50 million to the Securities Claimant Trust, and (ii) negotiated certain provisions in the CCAA Plan ² including a judgment reduction provision, a provision that provides that any contribution and indemnity claims that the Settlement Parties may have against the Non-Settlement Parties (including with respect to an Assigned Claim) will be barred, and procedural protections with respect to the ability of Non-Settlement Parties to access documents and witnesses of the Settlement Parties, all of which benefit non-settling defendants.
4.	76	269	UT	To confirm that the Company knew in May 2019 or at any point up to the current date that Mark Litwin was an officer and director of CannaMed.	The Company knew that Mark Litwin was an officer and director of CannaMed in May 2019. It also knew that Eric Paul was an officer and director of CannaMed which is why the Company has denied CannaMed's indemnity. Mr. Litwin and his counsel knew that CannaMed's indemnity was denied in the Fall of 2019.
5.	79	279	UT	To confirm that no one at the Company has sought or received the prior written consent of any of the directors, officers, and shareholders related to the Litwins or CannaMed to the plan.	Mr. Litwin sat on the Board of the Company until recently. He was present when the initial draft CCAA plan attached as Exhibit "A" to the affidavit of Greg Guyatt sworn March 5, 2021 was voted on by the Board and his consent to the plan was sought at that time. He abstained from the vote.
6.	82	288	RF	To agree that if Eric Paul has guilty knowledge and he was an officer of CannaMed, he was also an officer of the Company, so the Company had the same knowledge.	Refusal maintained. This question is not relevant to any issue on the Meeting Order motion.

² In these answers to undertakings, the term "CCAA Plan" refers to the draft plan of compromise, arrangement and reorganization of CannTrust Holdings Inc., CannTrust Inc. and Elmcliff Investments Inc. under the *Companies' Creditors Arrangement Act* (Canada) and the *Business Corporations Act* (Ontario) attached as Exhibit "B" to the Affidavit of Greg Guyatt sworn April 9, 2021.

Item	Page	Question	Type	Description	Response
7.	85	301	UT	To advise whether the consent of the D&O insurers has been sought with respect to the plan.	The D&O insurers and the Company have had several meetings in the Mediation Process (as directed by the Court-Appointed Mediator), and the insurers have been apprised of the settlement framework and the CCAA Plan. The details of the discussion are subject to mediation privilege although the Company notes that counsel for certain of the D&O insurers (Arch Insurance Canada Ltd., Newline, Chubb Insurance Company of Canada and Allied World Assurance Company) were served with the CannTrust Plan Companies' motion for the Meeting Order and have not objected to that motion.
8.	86	301	UT	To advise whether the consent of the D&O insurers has been sought with respect to foregoing contribution and indemnity rights against co-insureds.	See Item #7 above.
9.	88	308	RF	To agree that if unconditional releases for all the insured were put in the plan, its not likely that the insurers would step forward and agree to the plan.	Refusal maintained. The Company cannot speculate on what the insurers will or will not do in certain circumstances.
10.	99	335	RF	To agree that if Mr. Guyatt has put forward a dichotomy between the plan and liquidation, it's a false dichotomy.	It is not a false dichotomy. Any alternative that does not include the resolution of the Securities Claims against the Company (which assert damages in excess of \$500 million) is not a viable one. Mr. Litwin was on the Board when it voted to seek CCAA protection. The Company sought CCAA protection to, among other things, resolve the multi-jurisdictional litigation against it. Mr. Litwin approved this strategy. Prior to his resignation from the Board on March 11, 2021, at no time did Mr. Litwin propose a different strategy during any Board meeting or discussion with the Company's directors, officers, or counsel.

Item	Page	Question	Type	Description	Response
Cross-Examination by Mr. Fabello					
11.	121	398-399	UT	To advise if CannTrust Holdings disagrees that the underwriting agreement does not contain a condition for a successful defence before indemnity costs be paid.	The Company does not disagree with this assertion. The Company notes that the CCAA Plan does not contain any such condition either.

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Proceeding commenced at Toronto

EXHIBIT BRIEF

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